

Articles of Association

Of

Everbright Securities Company Limited

July 2025

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CHAPTER 1 GENERAL PROVISIONS

Article 1 These Articles of Association are hereby established in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Enterprises, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and other rules and regulations, with a view to protecting the legitimate interests of Everbright Securities Company Limited (hereinafter referred to as the "Company"), shareholders, employees and creditors and regulating the organization and conduct of the Company.

Article 2 The Company is a joint stock company incorporated in accordance with the Company Law, the Securities Law and other regulations.

Approved by the Caijin Letter (2004) No. 170 of the Finance Ministry of the People's Republic of China and the "Reply Regarding the Approval for Everbright Securities Company to Restructure and Reduce its Registered Capital" Zhengjian Jigou Zi [2005] No. 54 issued by the China Securities Regulatory Commission, the Company was incorporated by way of conversion of Everbright Securities Company Limited in its entirety (hereinafter referred to as the "Limited Company"); the Commerce of the People's Republic of China issued the "Certificate of Approval for Establishment of Enterprises with Investment of Taiwan, Hong Kong and Macao and Overseas Chinese in the People's Republic of China" Shang Wai Zi Zi [2002] No. 0069 on May 23, 2005. The Company registered with the Shanghai Municipal Administration for Market Regulation and obtained the Business License bearing a unified social credit code: 91310000100019382F.

Article 3 Approved by the China Securities Regulatory Commission (the "CSRC"), the Company issued 520 million ordinary shares denominated in RMB to the public for the first time on July 24, 2009 and was listed on Shanghai Stock Exchange on August 18, 2009.

Approved by the CSRC on July 11, 2016, the Company issued 680,000,000 foreign investment shares (H shares) listed outside the People's Republic of China, which were listed on the Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on August 18, 2016; as a result of the partial exercise of the over-allotment option by the international underwriters on September 9, 2016, the Company additionally issued 24,088,800 foreign investment shares (H shares) listed outside the People's Republic of China, which were listed on the Hong Kong Stock Exchange on September 19, 2016.

- Article 4** Registered Name of the Company:
- Name in Chinese: 光大證券股份有限公司
Name in English: Everbright Securities Company Limited
- Article 5** Company's Domicile: No. 1508 Xinzha Road, Jing'an District, Shanghai, China
- Post Code: 200040
Telephone: +8621 22169999
Fax: +8621 62151789
- Article 6** The registered capital of the Company shall be RMB4,610,787,639.
- Article 7** The Company shall be a company limited by share in perpetual existence.
- Article 8** The President shall be the legal representative of the Company.
- If the President resigns, he/she shall be deemed to have simultaneously resigned as the legal representative.
- If the legal representative resigns, the Company shall determine a new legal representative within 30 days from the date of resignation.
- Article 9** The legal consequences of civil activities conducted by the legal representative in the name of the Company shall be borne by the Company.
- Limitations imposed by these Articles of Association or the shareholders' meeting on the powers of the legal representative shall not be asserted against a bona fide counterparty.
- If the legal representative causes damage to others in the course of performing his/her duties, the Company shall bear civil liability. After the Company assumes civil liability, it may seek recourse from the legal representative at fault in accordance with the law or these Articles of Association.
- Article 10** The shareholders shall be liable for the Company to the extent of the shares subscribed and the Company shall be liable for its debts to the extent of all of its properties. The Company may invest in other limited liability companies and joint stock companies and shall be liable for such companies to the extent of its capital contributions.
- Article 11** The Committee of the Communist Party of China of Everbright Securities Company Limited (the "Party Committee") shall be established in accordance with the Constitution of the Communist Party of China and the Company Law. The Party Committee shall play the leading role in providing correct development direction, managing overall situation and ensuring implementation, and shall be responsible for setting up the Party's working organs, appointing adequate staff members for the party affairs, and ensuring the source of working costs of the party organization. The Company shall provide necessary support for the activities of Party organizations.

Article 12 These Articles of Association shall be legally binding on the organization and conduct of the Company, the rights and obligations between the Company and the shareholders and among the shareholders as well as the Company, its shareholders, directors and officers as from the date when these Articles of Association come into force and effect. Such persons may make claims related to any Company matters in accordance with these Articles of Association. According to these Articles of Association, a shareholder may claim against another shareholder, a shareholder may claim against the directors and senior officers of the Company; a shareholder may claim against the Company; the Company may claim against any shareholder, director and senior officers.

The senior officers referred to in these Articles of Association shall mean the President, Vice Presidents, Assistant Presidents, Chief Financial Officer, Board Secretary, Chief Compliance Officer, Chief Risk Officer, Chief Information Officer and other senior officers of securities companies identified by the CSRC and other persons appointed by a Board Resolution to hold important positions.

The appointment and removal of directors and officers of the Company shall be filed with the securities regulators under the State Council.

CHAPTER 2 PURPOSE AND SCOPE OF BUSINESS

Article 13 The business purpose of the Company is to: adhere to the political and people-oriented nature of financial work, effectively enhance the ability to serve the real economy and national strategies, and give better play to the role as the “service provider” of direct financing, the “gatekeeper” of the capital market and the “manager” of social wealth; create the corporate brand; maximize the shareholders’ equity and the company value; improve customers’ value; make a future for employees; participate in competition with an excellent team; practise and innovate in scientific spirit; establish an image with efficient services; and realize value by way of standard management.

Article 14 The overall goal of the Company’s cultural development is to vigorously promote excellent traditional Chinese culture, actively cultivate a financial culture with Chinese characteristics, implement the “Five Do’s and Five Don’ts” requirements (namely, “upholding honesty and trustworthiness and sticking to the red line; seeking benefits through righteousness and refusing to be solely profit-driven; remaining steady and prudent and being not eager for quick success or instant benefits; adhering to integrity and innovation and avoiding being diverted out of the real economy; and complying with laws and regulations and never acting recklessly”), promote the practice of the securities industry culture and solidify the sense of honor and disgrace within the securities industry.

Article 15 The Board of Directors of the Company is responsible for formulating corruption-free practice management goal and overall requirements, and is taking the responsibility for the effectiveness of corruption-free practice management.

The objective and overall requirements of corruption-free practice management of the Company are, by establishing a scientific, efficient and practicable corruption-free practice management system, to enhance effective identification, assessment and prevention and control of corruption risks, make corrections timely when the issues are found and impose serious punishments against persons-in-charge according to rules and regulations.

Article 16 The business scope of the Company registered according to the law is: securities brokerage; securities investment and consultation; financial advisor related to securities transactions and securities investment activities; securities underwriting and sponsorship; securities dealing; provisions of intermediary business for futures companies; sales of securities investments funds on a commission basis; securities margin trading; sales of financial products on commission basis; market-making business related to share option; custodian business for securities investment funds and other businesses approved by the CSRC.

Article 17 According to the laws, administrative regulations and relevant regulatory provisions, the Company may establish subsidiaries to engage in private investment fund business, alternative investment business and other businesses subject to regulatory approval.

CHAPTER 3 SHARES

Section 1 Share Issuance

Article 18 A share of the Company shall be in the form of a share certificate.

Article 19 The issuance of the Company's shares shall comply with the principle of openness, fairness and justice. Each share of the same class shall have the same right. Any change to the rights attached to the class of shares shall require a vote of more than two-thirds of the voting shares of the relevant class.

The share of the same class issued at the same time shall be issued at the same price and subject to the same conditions of issuance; the same price shall be paid for each share subscribed for by a subscriber.

Article 20 The shares with par value issued by the Company shall be denominated in RMB, with the nominal value of each share at RMB1.00.

Article 21 Upon performing relevant procedures of the Securities Regulators under the State Council or other regulatory authorities, the Company may offer shares to both domestic investors and overseas investors.

The overseas investors referred to in the preceding paragraph shall mean investors from a foreign country, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of the People's Republic of China who subscribe for the shares issued by the Company; the domestic investors shall mean the investors within the People's Republic of China (other than the investors from the above-said districts) who subscribe for the shares issued by the Company.

Article 22 Approved by the competent authorities, the total number of ordinary shares issued by the Company at the time of incorporation is 2,445,000,000 shares, with each share valued at RMB1; the number of ordinary shares issued to the sponsors is 2,445,000,000, representing 100% of the total number of ordinary shares issued by the Company at the time.

The sponsor China Everbright (Group) Corporation subscribed for 1,185,750,000 shares by using its net assets in the Limited Company; China Everbright Limited subscribed for 1,139,250,000 shares by using its net assets in the Limited Company; Xiamen Xinshiji Group Company Ltd. subscribed for 100,000,000 shares by cash contribution; Dongguan Lianjing Industrial Investment Co., Ltd. subscribed for 10,000,000 shares by cash contribution; Nanjing Xinding Investment and Development Co., Ltd. subscribed for 10,000,000 shares by cash contribution. All five enterprises made their capital contributions in 2005.

Article 23 The Company has issued 4,610,787,639 shares, all of which are ordinary shares, with domestic shareholders holding 3,906,698,839 domestic investment shares and foreign shareholders holding 704,088,800 foreign investment shares which are listed overseas.

Article 24 The shares issued by the Company to domestic and other qualified investors and denominated in RMB are referred to as the "domestic investment shares"; and the shares issued by the Company to overseas investors and subscribed for in the currencies accepted by the securities regulators under the State Council and the regulators of the place where the shares of the Company are listed are referred to as the "foreign investment shares listed outside the People's Republic of China". Any such foreign investment shares listed outside the People's Republic of China are referred to as the listed foreign investment shares.

The foreign investment shares issued by the Company and listed in Hong Kong Stock Exchange are referred to as the "H" shares.

With the approval by the securities regulators under the State Council, the shareholders of the domestic investment shares of the Company may transfer to overseas investors the shares held by them to be listed overseas for transaction. For the purpose of such transferred shares to be listed and transacted on an overseas stock exchange, the regulatory procedures, regulations and requirements of such overseas securities market shall be complied with.

Article 25 If any directors and senior officers of the Company or employees are to control any equity interest in the Company, such controlling interest shall be approved by a resolution of the shareholders' meeting of the Company and approved by or filed with the CSRC or its branches according to the law.

Article 26 The Company or its subsidiaries (including affiliated enterprises) shall not, in the form of grants, advances, guarantees, borrowings and other forms, provide financial assistance for others to acquire shares of the Company or its parent company.

The Company may, in the interest of the Company, provide financial assistance for others to acquire shares of the Company or its parent company by a resolution of the shareholders' meeting or a resolution of the Board of Directors adopted as authorized by these Articles of Association or the shareholders' meeting, but the cumulative total of financial assistance shall not exceed 10% of the total issued share capital. The resolution of the Board of Directors shall be adopted by two-thirds or more of all the directors.

Section 2 Share Increase and Reduction and Redemption

Article 27 In accordance with the requirements for operation and development of the Company, and laws and regulations, after a resolution has been adopted at the shareholders' meeting, the Company may increase its capital:

- (i) by share offering to unspecified persons;
- (ii) by share offering to specified persons;
- (iii) by issuance of bonus shares to the existing shareholders;
- (iv) by conversion of capital reserve into share capital;
- (v) by any other means permitted by the laws and administrative regulations or specified by the relevant regulators.

The increase of capital and issuance of new shares by the Company shall be handled in accordance with the relevant laws, rules and administrative regulations after an approval has been obtained according to the provisions of these Articles of Association.

Article 28 The Company may reduce its registered capital. The reduction of such registered capital by the Company shall be handled in accordance with the Company Law, other relevant regulations and the procedures provided for in these Articles of Association.

Article 29 The Company may not buy back its own shares, except under any of following circumstances:

- (i) the Company reduces its registered capital;
- (ii) the Company merges with other companies which hold shares in the Company;
- (iii) the shareholders require the Company to buy back its own shares because shareholders object to the resolution adopted at the shareholders' meeting in respect of any merger and division of the Company;
- (iv) the Company uses the shares for the conversion into corporate bonds issued by the Company which are convertible to shares;
- (v) it is necessary for the Company to safeguard the Company's value and the shareholders' rights and interests;
- (vi) in any other circumstances as permitted by the laws, administrative rules and regulations and the listing rules.

Article 30 The Company may buy back its own shares through public and centralized trading or other methods permitted by laws, administrative regulations and the CSRC.

Where the Company repurchases its shares under the circumstances stipulated by Item (iv) or Item (v) of Article 29 of the Articles of Association, the repurchase shall be conducted in a public and centralized manner.

Article 31 The repurchase of the Company's shares by the Company for any reasons provided for in Item (i) and Item (ii) of Article 29 requires a resolution of the shareholders' meeting; where the Company repurchases its shares under the circumstance stipulated by Item (iv) or Item (v) of Article 29 of the Articles of Association, the repurchase shall be determined by a Board meeting with more than two-thirds of the directors present.

The Company's shares repurchased by the Company according to Article 29 shall be cancelled within 10 days after the date of the repurchase if in the case of Item (i) of Article 29 or transferred or cancelled within 6 months if in the case of Item (ii), Item (iii) of Article 29; whereas the aggregate shareholding of the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years if in the case of Item (iv) or (v).

When repurchasing the Company's shares, the Company shall perform information disclosure obligation in accordance with the stipulations of the Securities Law.

Section 3 Share Transfer

Article 32 The Company's shares shall be transferred according to law. Where any foreign investment shares listed in Hong Kong need to be transferred, the Company shall entrust Hong Kong local share registration institution to proceed with registration.

Article 33 All foreign investment shares fully paid up and listed on the Hong Kong Stock Exchange may be transferred freely according to the provisions of these Articles of Association; however, unless, the following conditions have been met, the Board of Directors may refuse to recognize any transfer documents without any reasons:

- (i) any transfer documents and other documents related to or affecting the title of any shares shall be recorded and payment shall be made to the Company in respect of such record according to the fee standard provided for in the Hong Kong Listing Rules, with such fees not exceeding the maximum fee as provided for in the Hong Kong Listing Rules from time to time;
- (ii) the transfer documents are related to the foreign investment shares listed on the Hong Kong Stock Exchange;
- (iii) the stamp duties payable under the Hong Kong Laws with respect to the transfer documents have been paid;
- (iv) the relevant share certificate as well as such evidence to prove that transferor has the right to transfer the shares as reasonably required by the Board of Directors have been submitted;
- (v) if the shares are transferred to joint holders, the number of the joint holders so registered shall not exceed 4;
- (vi) the relevant shares shall be free from any liens of any companies. If the Board of Directors refuses to register the share transfer, the Company shall give to the transferor and the transferee a notice of refusal to register such share transfer within 2 months of the date when a formal application has been filed.

Article 34 For the purpose of the transfer of all foreign investment shares listed in Hong Kong, an instrument of transfer in the general or ordinary form or any other written form accepted by the Board of Directors shall be used (including the standard transfer form or transfer form prescribed by the Hong Kong Stock Exchange from time to time); the instrument may be executed by hand or (if the transferor or transferee is a company) affixed with the company chop. If the transferor or transferee is a recognized clearing house within the defined meaning of the relevant ordinances under the Hong Kong laws in force from time to time (hereinafter referred to as the "Recognized Clearing House") or its agent, the transfer form may be executed by hand or by machine print.

All instruments of transfer shall be deposited with the legal address of the Company or such addresses as designated by the Board of Directors from time to time.

Article 35 The Company shall not accept its own share as the subject matter of a mortgage.

Article 36 The shares issued by the Company prior to its public share offering shall be not transferred within one year as from the date when the Company's shares have been listed on a stock exchange for transaction. Where laws, administrative regulations, the relevant regulatory authorities of the place where the shares of the Company are listed and the stock exchange(s) provide otherwise in respect of the Company's shareholders, actual controller, or the transfer of shares held by the actual controller, such provisions shall prevail.

Any directors or officers of the Company shall declare to the Company their holdings in the Company and any changes thereof. During their term of office as determined at the time of appointment, the shares transferred by them each year shall not exceed 25% of their total holdings of the same class of shares in the Company; the shares held in the Company shall not be transferred within one year as from the date when the Company's shares have been listed. No shares held by them in the Company shall be transferred with half a year after such persons have left offices.

If any directors, officers and the shareholders who hold more than 5% of the Company's shares sell the shares held by them in the Company or other equity securities within six months after such shares have been bought or buy such shares again within six months after such shares have been sold, the proceeds resulted therefrom shall be attributed to the Company and the Board of Directors shall claim back such proceeds. However, a securities company that has a shareholding of not less than 5% due to purchase of the shares remaining after underwriting and other circumstances specified by the securities regulators under the State Council shall not be subject to such restrictions.

The shares or other equity securities held by the director, officer, or a natural person shareholder as mentioned in the preceding paragraph shall include the shares or other equity securities held by his or her spouse, parents, and children or held through any other person's account.

If the Board of Directors of the Company fails to comply with the provisions of paragraph 3, the shareholders shall have the right to require the Board of Directors to comply within 30 days; if the Board of Directors fails to comply within such period of time as prescribed above, the shareholders may file a law suit with a People's Court in their own name for the benefit of the Company.

If the Board of Directors fails to comply with the provisions of paragraph 3, the directors responsible shall assume joint liability according to the Law.

Article 37 The foreign investment shares issued by the Company may be in the form of overseas depository receipts or other derivative form of share certificates in accordance with the laws and securities registration custody practice of the place where such shares are listed.

CHAPTER 4 PARTY COMMITTEE

Article 38 The Company shall establish a Party Committee with one secretary, 1-2 deputy secretaries and several other members. The Chairman and the Secretary of the Party Committee shall be assumed by the same person and one deputy secretary shall be designated to assist the Secretary of the Party Committee in the party building work. The qualified members of the Party Committee may take seats in the Board of Directors and senior management through statutory procedures. The qualified Party members of the Board of Directors and senior management may take seats in the Party Committee in accordance with relevant requirements and procedures. A Discipline Inspection Commission shall also be established as required.

Article 39 The Party Committee shall perform its duties in accordance with the Party's regulations such as the Constitution of the Communist Party of China, the Working Rules of the Communist Party Committee of China, and the Work Regulations of Primary-level Party Organizations of State-owned Enterprises of the Communist Party of China (for Trial Implementation):

- (i) to ensure and supervise the thorough implementation of the Party's and national policies, and execute major strategic decisions of the Central Committee of the CPC and the State Council and important work deployment by superior party organization.
- (ii) to reinforce the guidance and make final check on staff selection and utilization and take charge of standards, procedures, assessment, recommendation and supervision; and stick to the principle of the Party Supervising Cadres while ensuring that the Board of Directors is entitled to appoint senior management pursuant to law and senior management is entitled to appoint staff members pursuant to laws.
- (iii) to study and discuss key issues relevant to stable reform and development and significant business operations of the Company as well as vital interests of employees; and make proposals and recommendations; support the shareholders' meeting, the Board of Directors and senior management to perform their respective duties by laws; and support the work of the employee representative meeting.
- (iv) to undertake the main responsibilities of comprehensive and strict party management; to guide the Company's ideological and political work, the united front work, construction of spiritual civilization, and affairs of the trade union, the Communist Youth League, the women's organization and other mass organizations; and to take leadership in the construction of the Party's working style and a clean & honest administration, and support the Discipline Inspection Commission to effectively discharge its oversight responsibilities.

- (v) to strengthen the Company's grass-roots party organizations and team building of party members; give full play to the party branch's fort effect and exemplary role for party members; unite and lead the cadres and employees to actively participate in the reform and development of the Company.
- (vi) to comprehensively lead the construction of corporate culture, establish corporate culture system, implement overall requirements on the construction of industry culture, and coordinate in promoting implementation of industry culture.
- (vii) to handle other important matters within the scope of duties of the Party Committee.

Article 40 When making decisions on significant matters of the Company, the Party Committee should follow the principles of collective leadership, democratic centralism, individual consultations and making decisions by meetings, and implement scientific, democratic and legal decision-making.

The research and discussion by the Party Committee is a procedural prerequisite for the Board of Directors and the management to make decisions on significant matters.

CHAPTER 5 SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Section 1 General Provisions in Relation to Shareholders

Article 41 The Company shall establish a shareholder register according to the certificates provided by the securities registration and clearing institution and the shareholder register shall be the ample evidence that the shareholders hold any shares in the Company.

The Company's shareholders are persons that lawfully hold shares of the Company and whose names are entered in the register of shareholders. The shareholders of the Company shall enjoy rights and have obligations according to the class of shares held by them. Holders of shares of the same class shall enjoy equal rights and have equal obligations.

If more than two persons are registered as the joint shareholder of any shares, they shall be deemed as the joint owner of the relevant shares, subject to the following conditions:

- (i) the Company shall not register more than four persons as the joint shareholder of any shares;
- (ii) all joint shareholders of any shares shall assume joint liabilities for any amount payable in respect of the Relevant Shares;

- (iii) if one of the joint shareholders dies, only the survivors of such joint shareholders in the register of the shareholders shall be deemed as having the title to the Relevant Shares, but the Board of Director shall have the right to furnish such appropriate death certificate as thought fit so as to amend the register of the shareholders;
- (iv) for the purpose of the joint shareholders of any shares, only the joint shareholder listed first in the register of shareholders shall be entitled to receive any the share certificates of the Relevant shares, to receive any notices from the Company, and any notices served on the person mentioned above shall be deemed to have been served on all joint shareholders of the Relevant Shares. Any of the joint shareholders may execute the form of proxy and attend the shareholders' meetings of the Company or exercise all voting rights with respect to the Relevant Shares; if there are more than one joint shareholders participating in person or by proxy, the joint shareholder listed in preference shall have the right to vote. For this purpose, the preference of shareholders shall be subject to the ranking of the joint shareholders of the Relevant Shares in the register of shareholders.

Article 42 Any following unit or individual shall not be a shareholder or an actual controller with 5% equity or more of the Company:

- (i) that has been sentenced with penalty due to deliberate crime and completion of penalty is still less than three years;
- (ii) whose net assets are less than 50% of the paid-in capital or contingent liability reaches 50% of its net assets;
- (iii) that has failed to pay debts when due and payable;
- (iv) any other circumstances provided for by the CSRC.

The other shareholders of the Company shall comply with the relevant requirements of the CSRC.

Article 43 Any unit or individual in any of the following circumstances shall inform the Company in advance and the Company shall apply to the CSRC or its branch office of where the Company is located for approval or filing:

- (i) whose shareholding ratio has reached 5% of the registered capital of the Company upon subscription for or acquisition of the equity of the Company;
- (ii) who actually controls 5% equity or more of the Company by holding shares in the Company or by other means.

No unit or individual shall authorize others or accept any authorization from others to hold or manage the equity of the Company without any approval by the CSRC. The shareholders of the Company shall agree not to exercise the voting rights in proportion to their capital contribution in violation of the State provisions.

- Article 44** When the Company convenes a shareholders' meeting, distributes dividends, commences liquidation or participates in other activities requiring the identification of shareholders, the Board of Directors or the convener of the shareholders' meeting should determine the equity rights registration date. The shareholders who appear in the register of shareholders after the closing of the trading at the equity rights registration date shall have the relevant rights as the shareholders.
- Article 45** Shareholders of the Company shall fully understand shareholders' conditions and shareholders' rights and obligations, be fully aware of the Company's operation and management, potential risks and other information, have reasonable investment expectations and true willingness to make capital contributions, and perform necessary internal decision procedures.
- Article 46** A shareholder of any ordinary shares of the Company shall have the following rights:
- (i) to receive dividends and other forms of distribution of benefits in proportion to the number of the shares held by such shareholder;
 - (ii) to request the holding of, convene, hold, participate in or send proxy to attend shareholders' meetings and to exercise the corresponding voting rights according to the law;
 - (iii) to monitor, make suggestions or inquiries concerning the operation of the Company;
 - (iv) to transfer, give as a gift or pledge the shares held by him according to the laws, administration regulations and the regulations of the securities regulators of the place where the Company's shares are listed and the provisions of these Articles of Association;
 - (v) to inspect and copy the Company's Articles of Association, shareholder register, minutes of shareholders' meetings, resolutions of the Board of Directors, and financial accounting reports; shareholders who meet the prescribed requirements may also be entitled to inspect the Company's accounting books and accounting vouchers;
 - (vi) to participate in the distribution of any remaining assets of the Company in proportion to the number of the shares held when the Company terminates or liquidates;
 - (vii) to request the Company to buy back his shares if such shareholder opposes to the resolution concerning the merger or division of the Company made at a shareholders' meeting;
 - (viii) other rights provided for by the law, administrative regulations, departmental regulations and these Articles of Association.

Article 47 Where a shareholder requests to inspect or copy relevant documents of the Company, such request shall comply with the provisions of the Company Law, the Securities Law, other applicable laws and administrative regulations, as well as this Articles of Association.

When a shareholder requests any access to any information or documents under the preceding clause, such shareholder shall make available to the Company such written documents as evidence of the type and number of the Company's shares held by him. The Company may provide such information or documents after the identity of such shareholder has been verified.

Prior to inspecting or copying the relevant documents of the Company, the shareholder shall sign a confidentiality undertaking with the Company and undertake to assume confidentiality obligations.

Where a shareholder requests to inspect or copy relevant documents of a wholly-owned subsidiary of the Company, this Article shall apply.

Article 48 If any resolution made at any shareholders' meeting or Board of Directors' meeting contravenes the law or administrative regulations, any shareholder may request a People's Court to void such resolution.

If any convening procedure or voting method of a shareholders' meeting or Board of Directors' meeting contravenes the law, administrative regulations or these Articles of Association or if the contents of the any resolution contravene these Articles of Association, any shareholder may request a People's Court to nullify such resolution within 60 days as from the date when such resolution has been adopted. However, this shall not apply where there are only minor defects in the convening procedures or voting methods of the shareholders' meeting or Board meeting that do not have a substantive impact on the validity of the resolution.

Where the Board of Directors, shareholders, or other relevant parties have any dispute regarding the validity of a resolution adopted by the shareholders' meeting, such dispute shall be promptly submitted to a People's Court for adjudication. Before a judgment or ruling is rendered by the People's Court, the relevant parties shall perform the resolution adopted by the shareholders' meeting, and no entity shall refuse to implement the resolution on the grounds that it is invalid. The Company, directors, and senior management officers shall diligently perform their duties to ensure the normal operation of the Company.

Where the People's Court issues a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchange, fully explain the impact, and actively cooperate in enforcement after the judgment or ruling takes effect. If the matter involves correction of a prior issue, the Company will handle it in a timely manner and fulfill the corresponding disclosure obligations.

Article 49 Any resolution of the shareholders' meeting or the Board of Directors shall be deemed null and void under any of the following circumstances:

- (i) No shareholders' meeting or Board meeting is convened to make a resolution;
- (ii) No voting was conducted at the shareholders' meeting or Board meeting on the matter subject to resolution;
- (iii) The number of attendees or the voting rights represented at the meeting did not reach the quorum or voting threshold as prescribed by the Company Law or these Articles of Association;
- (iv) The number of votes in favor of the resolution or the voting rights represented by such votes did not reach the threshold as prescribed by the Company Law or these Articles of Association.

Article 50 If a director or an officer other than members of the Audit and Related Party Transactions Control Committee violates the law, administrative regulations or any provisions of these Articles of Association when carrying out his Company duties that has resulted in losses to the Company, any shareholder holding 1% or more of shares in the Company individually or aggregately for 180 consecutive days may request the Audit and Related Party Transactions Control Committee in writing to file a law suit with a People's Court; If any member of the Audit and Related Party Transactions Control Committee violates the law, administrative regulations or these Articles of Association when carrying out its Company duties that has resulted in losses to the Company, any aforementioned shareholder may request the Board of Directors in writing to file a law suit at a People's Court.

If the Audit and Related Party Transactions Control Committee or Board of Directors refuses to file such law suit after a written request under the preceding paragraph has been received from any shareholder, or fails to file such law suit within 30 days as from the date when the request has been received, or the situation is so urgent that failure to file an immediate law suit will lead to irreparable losses suffered by the Company, any shareholder under the previous paragraph may file a law suit directly with a People's Court in his own name, for the interest of the Company.

If any person infringes any lawful interests of the Company that has resulted in any losses suffered by the Company, any shareholder under the first paragraph may file a law suit with a People's Court in accordance with the provisions of two preceding paragraphs.

Where any director or senior management officer of a wholly-owned subsidiary of the Company, in the course of performing their duties, violates laws, administrative regulations, or the provisions of these Articles of Association and thereby causes losses to the Company, or where any other person infringes upon the lawful rights and interests of the Company's wholly-owned subsidiary resulting in losses, such matters shall be handled in accordance with paragraph 1 and paragraph 2 of this Article.

Article 51 If a director or an officer violates the law, administrative regulations or these Articles of Association that has prejudiced the interests of any shareholder, such shareholder may file a lawsuit with a People's Court.

Article 52 The Company shall establish an effective mechanism to communicate with the shareholders so as to guarantee the right of the shareholders to know according to the law.

The Company shall promptly inform all shareholders in writing or by any other means as provided for in the Articles of Association and report to the branch of the CSRC at the place where the Company is domiciled, if:

- (i) The Company or any of its directors, or officer are suspected of involving in any major violation of law or regulation;
- (ii) The Company's financial status continues to deteriorate, resulting in the risk control indicator not meeting the standards as prescribed by the CSRC;
- (iii) The Company suffers serious losses;
- (iv) The Company intends to replace the legal representative, the Chairman of the Board of Directors, or the primary person in charge of business management;
- (v) An emergency occurs, which has or may have a significant adverse impact on the interests of the Company and clients;
- (vi) Other matters that may influence the continuous operation of the Company.

Article 53 The Chairman of the Board of Directors shall be the first person responsible for the Company's equity administration affairs; and the Board Secretary assists the Chairman of the Board of Directors and shall be the person directly responsible for the Company's equity administration affairs.

In the event of illegal or improper conduct related to equity administration affairs in violation of laws, administrative regulations and regulatory requirements, shareholders, the Company, the person responsible for the equity administration affairs and relevant personnel shall bear corresponding responsibilities in accordance with the Securities Law, the Regulation on the Supervision and Administration of Securities Companies and other laws and regulations, regulatory requirements and the Company's systems.

Article 54 A shareholder of any ordinary shares of the Company shall undertake the following obligations:

- (i) to comply with the law, administrative regulation and these Articles of Association;
- (ii) to make payment for his shares in accordance with the shares subscribed for by him and the method of subscription;
- (iii) except as otherwise provided for by law, no share capital withdrawal shall be permitted;
- (iv) no rights as a shareholder shall be abused to injure the interests of the Company or other shareholders; no independent status of legal person of the Company and the limited liability of a shareholder shall be abused to injure the interests of the Company's creditors;

If any abuse by any shareholder of the Company of the rights as a shareholder causes any losses to the Company or other shareholders, such shareholder shall be liable to indemnify according to the law.

Any shareholder shall be jointly and severally liable for the debts of the Company if such shareholder seriously injures the interests of the Company's creditors by any abuse of the independent status of legal person of the Company and the limited liability of a shareholder in order to evade any debts.

- (v) shareholders who make false statements, abuse shareholders' rights or commit other behavior that harms the Company's interests, shall not exercise the rights of, amongst others, proposing to convene a shareholders' meeting, voting, nomination, making proposals and disposition;
- (vi) any other obligations as provided for by the law, administrative regulations and these Articles of Association.

Section 2 Major Shareholders, Controlling Shareholders, and Actual Controllers

Article 55 The controlling shareholders and actual controllers of the Company shall exercise their rights and perform their obligations in accordance with the law, administrative regulations, and the rules of securities regulators of the place where the shares of the Company are listed and the stock exchange(s), and shall safeguard the interests of the listed companies.

Article 56 Any shareholder who holds more than 5% voting rights shares and actual controller shall inform the Company within 5 working days in the following circumstances:

- (i) property preservation or enforcement measures have been made in respect of the equity interests held or controlled in the Company;
- (ii) any shareholder who holds more than 5% voting rights shares has changed the actual controller;
- (iii) any changes of the name;
- (iv) a merger or division has occurred;
- (v) has been ordered to stop business for internal rectification, appointed a trustee or receiver or entered into the dissolution, bankruptcy or liquidation process;
- (vi) such shareholder has received administrative penalty or been investigated for criminal liability;
- (vii) other events which may cause the equity interests held or controlled in the Company to be transferred or have an effect on the operation of the Company.

The Company shall report such event to the branch of the CSRC at the place where the Company is domiciled within 5 working days after the Company becomes aware of such events (the above provisions are not applicable if such shareholder is a recognized clearing house within the meaning of the relevant laws and ordinance of the jurisdiction where the Company's shares are listed).

Article 57 If any shareholder who holds more than 5% voting rights shares in the Company or actual controller pledges the shares held, such shareholder shall provide a written report to the Company on the date of such pledge. The Company shall report such event to the branch of the CSRC at the place where the Company is domiciled within 5 working days after the Company becomes aware of such events.

If any shareholder violates the law by making a false capital contribution or withdrawing his capital contribution or acting so in a disguised way, the Company shall report to the branch of the CSRC at the place where the Company is domiciled within 10 working days and require such shareholder to rectify within 1 month.

Article 58 Substantial shareholders and controlling shareholders shall make additional capital contribution to the Company after performing relevant internal control procedures in accordance with laws and regulations and regulatory requirements, when necessary. If approval from relevant authorities of the State is needed, appropriate approval procedures shall be followed in accordance with the requirements.

Article 59 Shareholders who shall be approved but have not been approved by the regulatory authorities or have not filed with the regulatory authorities, or those who have not completed the rectification, shall not exercise the rights of, amongst others, proposing to convene a shareholders' meeting, voting, nomination, making proposals and disposition.

None of the following shall occur between the Company and any shareholder (the affiliates of such shareholder):

- (i) The Company shall not hold any equity interests in any shareholder, except as otherwise provided for in the laws, administrative regulations or by the CSRC;
- (ii) The Company shall not transfer any improper interest to any shareholder by way of acquiring the securities held by such shareholder;
- (iii) Any shareholder shall not occupy any assets of the Company;
- (iv) Any such other acts as prohibited by the law, administrative regulations or by the CSRC.

Any entity or individual who becomes a substantial shareholder of a securities firm or the actual controller of the company without the approval of the securities regulatory authority under the State Council shall be ordered to make corrections within a prescribed time limit. Prior to making such corrections, they shall not exercise the rights of, amongst others, proposing to convene a shareholders' meeting, voting, nomination, making proposals and disposition.

Article 60 The controlling shareholders and the actual controllers of the Company shall comply with the following provisions:

- (i) to exercise shareholder rights in accordance with laws, and not to abuse control or use related party relationships to damage the legitimate rights and interests of the Company or other shareholders;
- (ii) to strictly fulfill public statements and commitments made, without unauthorized modification or waivers;

- (iii) to fulfill information disclosure obligations in strict compliance with relevant regulations, actively cooperate with the Company in its information disclosure work, and promptly inform the Company of any major events that have occurred or will occur;
- (iv) not to occupy the Company's funds in any manner;
- (v) not to force, instruct, or require the Company and related personnel to provide guarantees in violation of laws or regulations;
- (vi) not to exploit any undisclosed significant information of the Company for personal gains, or disclose any undisclosed significant information related to the Company in any way, or engage in insider trading, short-term trading, market manipulation, and other illegal activities;
- (vii) not to damage the legitimate rights and interests of the Company and other shareholders through unfair related party transactions, profit distribution, asset restructuring, external investments, or any other means;
- (viii) to ensure the integrity of the Company's assets and independence in personnel, finance, organization, and business, and not to act in any manner that may compromise the Company's independence;
- (ix) other provisions of laws, administrative regulations, provisions of the CSRC, business rules of the stock exchange, and the Articles of Association.

If the Company's controlling shareholders or actual controllers direct directors or senior management members to engage in behaviors that damage the interests of the Company or shareholders, they shall be held jointly and severally liable with such directors or senior management members.

Article 61 The shareholding period of a shareholder of the Company shall comply with the laws, administrative regulations and the relevant requirements of the CSRC.

Where the major assets of a shareholder of the Company are equity interests of the Company, the equity interests of the Company controlled by the shareholder's controlling shareholder and actual controller are subject to the same lock-up period as that for the shareholder of the Company, except where otherwise permitted by the CSRC according to the law.

No shareholder of the Company shall pledge any equity interests held in the Company during the lock-up period of the equity interests. After the expiry of the lock-up period of the equity interests, the percentage of equity interests held in the Company pledged by a shareholder of the Company shall not exceed 50% of the equity interests held in the Company, unless the shareholder holds less than 5% equity interests of the Company.

A shareholder pledging equity interests held in the Company shall not prejudice the interests of the other shareholders or the Company, agree on exercising voting rights and other shareholders' rights by the pledgee or any other third party, or transfer the control over the equity interests of the Company in a disguised manner.

Article 62 When the controlling shareholders or the actual controllers pledge the shares of the Company held by them or actually controlled by them, they shall ensure the stability of the Company's control, and production and operation.

Article 63 When the controlling shareholders or the actual controllers transfer the shares of the Company held by them, they shall comply with the restrictions on share transfer stipulated by laws, administrative regulations, the provisions of the CSRC, and stock exchanges, as well as any commitments made by them regarding restrictions on share transfer.

Section 3 General Provisions Concerning Shareholders' Meeting

Article 64 The Company's shareholders' meeting is composed of all shareholders. The shareholders' meeting shall be the organ of authority of the Company and shall exercise the functions and powers according to law:

- (i) elect and replace relevant directors and decide on matters concerning the remuneration of directors;
- (ii) examine and approve reports of the Board of Directors;
- (iii) examine and approve the Company's annual financial budget and final account proposals;
- (iv) examine and approve the Company's plans for profit distribution and making up losses;
- (v) adopt resolutions concerning the increase or reduction of the Company's registered capital;
- (vi) adopt resolutions on the issuance of bonds by the Company;
- (vii) adopt resolutions on matters such as the merger, division, dissolution or liquidation or changes of the form of the Company;
- (viii) amend the Articles of Association of the Company;
- (ix) adopt resolutions on the employment, dismissal of accounting firms that undertakes the Company's audit business by the Company;
- (x) examine and approve the guarantee matter as set forth in Article 65 of the Articles of Association;
- (xi) examine any matters concerning the material assets acquired or sold by the Company within one year representing over 30% of the latest audited total assets;
- (xii) examine any matters concerning the change of the use of the funds raised;
- (xiii) examine any other matters required to be decided at a shareholders' meeting as provided for in the law, administrative regulations, departmental rules, listing rules of the place where the securities are listed or the provisions of these Articles of Association.

The shareholders' meeting may authorize the Board of Directors to make resolutions regarding the issuance of corporate bonds.

Article 65 Except the provision of margin financing and securities lending services to clients according to the applicable provisions, the Company shall not provide finance or guarantee for any shareholder or the affiliates of such shareholder. The Company shall comply with the relevant regulations in respect of any external guarantee by a security company or a listed company. Any external guarantee by the Company shall be adopted at a shareholders' meeting:

- (i) any subsequent guarantee provided after the total amount of external guarantee by the Company or any subsidiaries controlled by the Company has exceeded 50% of the latest audited net assets;
- (ii) any subsequent guarantee provided after the total amount of the external guarantee by the Company has exceeded 30% of the latest audited total assets;
- (iii) guarantees provided by the Company for others within one year exceeding 30% of the Company's latest audited total assets;
- (iv) any guarantee provided for object whose asset-liability ratio has exceeded 70%;
- (v) the amount of any single guarantee exceeding 10% of the latest audited net assets.

Article 66 Shareholders' meetings consist of annual shareholders' meetings or extraordinary shareholders' meetings. Annual shareholders' meeting shall be held once a year and shall be held with 6 months after the end of the previous financial year.

Article 67 The Company shall convene an extraordinary shareholders' meeting within 2 months of the occurrence of the following circumstances:

- (i) where the number of directors is fewer than the minimum as provided for in the Company Law or 2/3 (which means the number of directors is fewer than 8) as provided for in these Articles of Association;
- (ii) where the amount of losses not made up for by the Company has reached 1/3 of the total capital;
- (iii) where any shareholder holding 10% or more of the Company's shares individually or in aggregate requests;

- (iv) where necessary as the Board of Directors considers;
- (v) when the Audit and Related Party Transactions Control Committee suggests to convene;
- (vi) other circumstances as provided in the law, administrative regulations, departmental regulations or these Articles of Association.

The number of the shares held as set forth in Item (iii) herein shall be calculated on the date of the receipt by the Board of Directors of a written request from the shareholder.

Article 68 The shareholders' meeting of the Company shall be held in Shanghai or Beijing.

A venue shall be fixed for the shareholders' meeting which shall be convened in the form of on-site meeting. The Company will make available internet voting for the convenience of any shareholders. Any shareholder who participates in such way shall be deemed to participate in person.

Article 69 When the Company holds a shareholders' meeting, the Company shall engage a lawyer to provide legal opinions on the following matters and make a public announcement:

- (i) Whether the convening and meeting procedures comply with the law, administrative regulations, and the provisions of these Articles of Association;
- (ii) Whether the qualifications of the attendees and the convener are legally valid;
- (iii) Whether the voting procedures and decisions of the meeting are legally valid;
- (iv) Other legal opinion as requested by the Company.

Section 4 Convening of a Shareholders' Meeting

Article 70 A shareholders' meeting shall be convened by the Board of Directors according to the law. The Board of Directors shall convene the shareholders' meeting on time within the prescribed period.

Article 71 With the consent of more than half of all independent directors, any independent director shall have the right to suggest to the Board of Directors to convene an extraordinary shareholders' meeting. The Board of Directors shall, in accordance with provisions of the law, administrative regulations and these Articles of Association, inform in writing to indicate whether the Board of Directors has agreed or disagreed to convene such extraordinary shareholders' meeting within 10 days upon receipt of the suggestion to convene such extraordinary shareholders' meeting.

If the Board of Directors has agreed to hold such extraordinary shareholders' meeting, it shall give a notice of the shareholders' meeting within 5 days after the Board of Directors has adopted the board resolution; if the Board of Directors has disagreed to hold such extraordinary shareholders' meeting, it shall give its reasons and make a public announcement thereof.

Article 72 The Audit and Related Party Transactions Control Committee may propose to the Board of Directors to convene an extraordinary shareholders' meeting and shall propose such to the Board of Directors in writing. The Board of Directors shall, in accordance with provisions of the law, administrative regulations and these Articles of Association, inform in writing to indicate whether the Board of Directors has agreed or disagreed to convene such extraordinary shareholders' meeting within 10 days upon receipt of the proposal.

If the Board of Directors has agreed to hold such extraordinary shareholders' meeting, it shall give a notice of the shareholders' meeting within 5 days after the Board of Directors has adopted the board resolution; the Audit and Related Party Transactions Control Committee's consent shall be sought in respect of any changes to the original proposal as contained in such notice.

If the Board of Directors does not agree to convene such extraordinary shareholders' meeting or fails to give any reply with 10 days upon receipt of such proposal, the Board of Directors shall be deemed incapable of or failing in carrying out the duties to convene a shareholders' meeting and the Audit and Related Party Transactions Control Committee may proceed with the convening and holding of such meeting by itself.

Article 73 Any shareholder who holds 10% or more shares in the Company individually or in aggregate may require the board of directors to hold an extraordinary shareholders' meeting and shall require the Board of Directors in writing. The Board of Directors shall, in accordance with provisions of the law, administrative regulations and these Articles of Association, inform in writing to indicate whether the Board of Directors has agreed or disagreed to convene such extraordinary shareholders' meeting within 10 days upon receipt of the requirement.

If the Board of Directors has agreed to hold such extraordinary shareholders' meeting, it shall give a notice of the shareholders' meeting within 5 days after the Board of Directors has adopted the board resolution; the relevant shareholders' consent shall be sought in respect of any changes to the original proposal as contained in such notice.

If the Board of Directors does not agree to hold such extraordinary shareholders' meeting or fails to give any reply within 10 days upon receipt of such requirement, any shareholder who holds 10% or more shares in the Company individually or in aggregate may propose to the Audit and Related Party Transactions Control Committee to hold such extraordinary shareholders' meeting and shall propose to the Audit and Related Party Transactions Control Committee in writing.

If the Audit and Related Party Transactions Control Committee agrees to hold such extraordinary shareholders' meeting, it shall give a notice of such shareholders' meeting within 5 days upon receipt of such requirement. The relevant shareholders' consent shall be sought in respect of any changes to the original proposal as contained in such notice.

If it fails to give such notice of the shareholders' meeting within the period of time as forth above, the Audit and Related Party Transactions Control Committee shall be deemed not to convene and preside over such shareholders' meeting. Any shareholder who has held 10% or more shares in the Company individually or in aggregate for more than 90 consecutive days may proceed to convene and preside over such shareholders' meeting by itself.

Article 74 If the Audit and Related Party Transactions Control Committee or any shareholder has decided to convene a shareholders' meeting by itself, a written notice shall be given to the Board of Directors, and filed with the Shanghai Stock Exchange.

Before the resolution of the shareholders' meeting is publicly announced, the shares held by the convening shareholder shall not be less than 10%.

The Audit and Related Party Transactions Control Committee or the convening shareholder shall submit relevant evidence documents to the Shanghai Stock Exchange before a notice of the shareholders' meeting has been given and the resolution of the shareholders' meeting has been publicly announced.

Article 75 For the purpose of any shareholders' meeting convened by the Audit and Related Party Transactions Control Committee or any shareholder, the Board of Directors and the Board Secretary shall provide assistance. The Board of Directors shall provide the register of shareholders on the equity rights registration date.

Article 76 The Company shall bear all expenses necessary for any shareholders' meeting convened by the Audit and Related Party Transactions Control Committee or any shareholder.

Section 5 Proposal and Notice of a Shareholders' Meeting

Article 77 The contents of the proposal shall be within the scope of the duties of a shareholders' meeting, with clear issues for discussion and specific matters to be resolved, and shall be in compliance with the relevant provisions of the law, administrative regulations and these Articles of Association.

Article 78 When a shareholders' meeting of the Company is held, the Board of Directors, the Audit and Related Party Transactions Control Committee and any shareholder who holds 1% or more shares in the Company individually or in aggregate shall have the right to make proposals regarding the matters to be resolved to the Company.

Any shareholder who holds 1% or more shares in the Company individually or in aggregate shall submit any temporary written proposals regarding the matters to be resolved to the convener 10 days before a shareholders' meeting is held. The convener shall give a supplementary notice of the shareholders' meeting and publicly announce the content of such temporary proposal within 2 days upon receipt of such proposal, and submit the provisional proposal to the shareholders' meeting for consideration, unless the provisional proposal has violated laws, administrative regulations, or the provisions of these Articles of Association, or does not fall within the scope of power of the shareholders' meeting.

Except as provided for in the preceding paragraph, no modifications to the proposal contained in the notice of the shareholders' meeting or addition of any new proposals in such notice shall be made after the convener has given a notice of the shareholders' meeting.

The shareholders' meeting shall not vote or resolve on any proposals which are not contained in a notice of the shareholders' meeting or are not in compliance with the provisions of these Articles of Association.

Article 79 For holding an annual shareholders' meeting, the Company shall inform all shareholders by way of a public announcement 20 days before the date of the meeting, and for holding an extraordinary shareholders' meeting, the Company shall inform all shareholders by way of a public announcement 15 days before the date of the meeting. When the Company calculates the commencement of a period, the date when the meeting is held shall not be included.

Article 80 A notice of a shareholders' meeting shall include:

- (i) the date and place of the meeting as well as the period of the meeting;
- (ii) the matters and proposals submitted to the meeting for consideration;
- (iii) a conspicuous statement that all shareholders entitled to attend and vote have the right to entrust one or more proxies to attend and vote on their behalf and that such proxy need not be a shareholder;
- (iv) the equity rights registration date for the shareholders entitled to attend the shareholders' meeting;
- (v) the name and telephone number of the contact for the meeting;
- (vi) the voting time and voting procedures by way of internet or other means.

The contents disclosed in a notice or supplementary notice of a shareholders' meeting shall be adequate and complete; if the matters to be discussed require any opinion of independent directors, the opinion of such independent directors shall be disclosed in a notice or supplementary notice of a shareholders' meeting.

The time to commence voting by way of internet or other means at such shareholders' meeting shall not be earlier than 3:00 p.m. on the preceding date prior to the date when the shareholders' meeting is held but not later than 9:30 a.m. on the date when such shareholders' meeting is held and shall not end earlier than 3:00 p.m. on the date when such shareholders' meeting concludes.

The interval between the equity rights registration date and the date of the meeting shall not exceed 7 working days. No changes shall be made in respect of any equity once such equity has been registered.

Article 81 If a shareholders' meeting intends to discuss the election of any director, the notice of such shareholders' meeting shall disclose all particulars of any candidate for director, at least including the following information:

- (i) personal information such as the education, work experience and other appointments;
- (ii) whether such candidate is related to the Company or the controlling shareholder or actual controller of the Company;
- (iii) the number of shares held by such candidate in the Company;
- (iv) whether such candidate has been subject to any penalty by the CSRC and other relevant departments or a stock exchange;
- (v) any information required by the Hong Kong Listing Rules to be disclosed in respect of any new appointment, re-election or redesignation of any director.

Unless cumulative voting system is adopted for election of a director, each candidate for director shall be proposed individually.

Article 82 After a notice of any shareholders' meeting has been given, no shareholders' meeting shall be postponed or cancelled without any cause. No proposals contained in such notice of the shareholders' meeting shall be cancelled. Once a delay or cancellation occurs, the convener shall inform the shareholders and provide reasons at least 2 working days prior to the date when the meeting is originally scheduled.

Section 6 Holding of a Shareholders' Meeting

Article 83 The Board of Directors of the Company and other convener shall take measures necessary to ensure the proper order of any shareholders' meeting. Measures shall be taken to stop any acts which interfere with or disrupt such shareholders' meeting or infringe the lawful rights of any shareholder and a report shall be given to the relevant department for investigation.

Article 84 All holders of ordinary shares or their proxies whose names are recorded in the share register on the record date are entitled to attend a shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations and the Articles of Association.

A shareholder may attend the shareholders' meeting in person or have a proxy to attend and vote on his/her behalf.

Article 85 If a shareholder attends the meeting in person, such shareholder shall produce his identity card or other effective proof documents or certificates of his identity a proxy attending the meeting on behalf of another shareholder shall produce his valid identity card and the power of attorney given by such shareholder.

In the case of a corporate shareholder, the legal representative or a proxy appointed by such legal representative shall attend the meeting. If the legal representative attends the meeting, such legal representative shall produce his identity card or effective proof documents of legal representative; if the proxy attends the meeting, such proxy shall produce his valid identity card or a written power of attorney issued by the legal representative of the corporate shareholder according to the law.

If such shareholder is a recognized clearing house within the meaning of the law or ordinance of the place where the Company's shares are listed or its proxy, such shareholder may authorize one or more persons it thinks fit to act as its representative at any shareholders' meeting; however, if more than one person is authorized, the power of attorney shall specify the number and type of the shares with respect to such person so authorized. The power of attorney may be executed by a person authorized by such recognized clearing house. The person so authorized may attend the meeting and exercise any rights on behalf of such recognized clearing house (or its proxy) (without producing any share certificate, notarized power of attorney and/or further evidence to prove that the person has been so authorized) as if such person was an individual shareholder of the Company.

Article 86 A power of attorney issued by a shareholder for any person to attend the shareholders' meeting shall contain the following items:

- (i) the name of the principal, and the class and number of the Company's shares held by the principal;
- (ii) the name of the proxy;
- (iii) specific instructions from the shareholder, including any instructions to vote for or against any matters included in the agenda of the shareholders' meeting or to abstain from voting on such matters;
- (iv) the date of issuance of the power of attorney and its valid period;
- (v) the signature (or chop) of the principal. In the case of a corporate shareholder, the common seal of the legal person shall be affixed.

Article 87 If the principal authorizes any other person to sign the proxy statement, the power of attorney to sign such proxy statement or other authorization shall be notarized. Such notarized power of attorney or other authorization and the proxy statement shall be deposited at the address of the Company or other places designed in the notice to convene the meeting.

- Article 88** The meeting register to record the attendees of the meeting shall be prepared by the Company. The meeting register shall record the name (or the unit name), identity card number, the number of the voting rights shares held or represented and the name of the persons (or the unit name) that are represented.
- Article 89** The convener and the lawyer engaged by the Company shall verify the legality of the qualification of the shareholders against the register of the shareholders provided by the securities registration and clearing institution together and record the name of the shareholders and the number of the voting rights shares held or represented by such shareholders. Before the chairman of the meeting announces the number of the shareholders and proxies attending the meeting and the total number of the voting rights shares held, such recording for the meeting shall cease.
- Article 90** When a shareholders' meeting requires directors and senior officers to attend the meeting as non-voting attendees, the directors and senior officers shall attend the meeting as non-voting attendees and accept inquiries from the shareholders.
- Article 91** If a shareholders' meeting is convened by the Board of Directors, such meeting shall be presided over by the Chairman of the Board of Directors; if the Chairman of the Board of Directors fails or is unwilling to carry out such duties, the meeting shall be presided over by the Vice Chairman of the Board of Directors; in the case that the Company has two or more vice chairmen, the meeting shall be presided over by the vice chairman selected by over half of the directors; if the vice chairman fails or is unwilling to carry out such duty, the meeting shall be presided over by a director selected by over half of the directors.
- If a shareholders' meeting is convened by the Audit and Related Party Transactions Control Committee, such meeting shall be presided over by the convener of the Audit and Related Party Transactions Control Committee; if the convener of the Audit and Related Party Transactions Control Committee fails or is unwilling to carry out the duty, such meeting shall be presided over by a member of the Audit and Related Party Transactions Control Committee selected by over half of the members of the Audit and Related Party Transactions Control Committee.
- If a shareholders' meeting is convened by the shareholders, the convener or a representative elected by the convener shall preside over such meeting.

If the chairman of a shareholders' meeting makes it impossible for the shareholders' meeting to proceed by violating the meeting procedures, then with the consent of more than half of the shareholders with voting rights present at the shareholders' meeting, a person may be selected to preside over such shareholders' meeting to proceed.

- Article 92** The Company shall lay down the rules of procedure for shareholders' meeting, specifying in detail the procedures for convening, holding and voting at such shareholders' meeting, including notice, registration, proposal examination, voting, vote counts, vote result announcement, meeting resolution formation, meeting minutes and execution thereof, public announcement as well as the principles to authorize the Board of Directors by the shareholders' meeting. The authorization shall be clear and specific. The rules of procedure for shareholders' meeting shall serve as an appendix to the Articles of Association, which shall be prepared by the Board of Directors and approved the shareholders' meeting.
- Article 93** During any annual shareholders' meeting, the Board of Directors shall submit reports to such shareholders' meeting in respect of their work in the past year. Each independent director shall also submit his work report.
- Article 94** Directors and officers shall explain with respect to inquiries and suggestions from shareholders at a shareholders' meeting.
- Article 95** The chairman of the meeting shall declare the number of the shareholders and proxies present at the meeting and the total number of the voting rights shares held before voting. Such number of the shareholders and proxies present at the meeting and the total number of the voting rights shares held shall be subject to those registered for the meeting.
- Article 96** A shareholders' meeting shall have meeting minutes prepared by the Board Secretary. The meeting minutes shall contain:
- (i) the time, venue, agenda and convener of the meeting;
 - (ii) the name of the chairman of the meeting and the directors and senior officers who attend the meeting as non-voting attendees;
 - (iii) the number of the shareholders and proxies present at the meeting and the total number of the voting rights shares held and the percentage that such shares represent in the Company's total shares;
 - (iv) the consideration, main points of address and voting results with respect to each proposal;
 - (v) the inquiries, opinions and suggestions from the shareholders and the corresponding answers and explanations;
 - (vi) the name of the lawyer, vote counter and counting overseer;
 - (vii) other items required by these Articles of Association to be recorded in the meeting minutes.

Article 97 The convener shall ensure that the contents of the meeting minutes are true, accurate and complete. The directors, Board Secretary, convener or its representative and the chairman of the meeting present at the meeting either as voting attendees or non-voting attendees shall sign the meeting minutes. The meeting minutes shall be kept together with the signature book of the shareholders present at the meeting, power of attorney and any valid information with respect to the voting by way of internet or other means for at least 15 years.

Article 98 The convener shall ensure that a shareholders' meeting shall proceed until final resolutions have been adopted. If a shareholders' meeting suspends or no resolution is adopted due to force majeure events or other special circumstances, necessary measures shall be taken to resume the shareholders' meeting or terminate such meeting directly. Meanwhile, the convener shall report to the branch of the CSRC of the place where the Company is located and the Shanghai Stock Exchange.

Any shareholders' meeting of the Company shall comply with the principle of austerity and no additional economic benefits shall be given to the shareholders (or proxies) attending the meeting.

Section 7 Voting and Resolution at a Shareholders' Meeting

Article 99 When a shareholder exercises voting rights with respect to the number of the voting rights shares which such shareholder represents, each share shall have one vote.

When the shareholders' meeting considers material matters that could affect the interest of minority investors, the Company shall count the votes by minority investors separately. The results of such separate vote counting shall be disclosed promptly.

The Company's shares held by the Company shall have no voting rights. When calculating the total number of the voting rights shares for the shareholders' meeting, such portion of the shares shall not be counted.

If a shareholder buys the voting shares of the Company in violation of the provisions of paragraphs 1 and 2 of the Article 63 of the Securities Law, the voting rights of the exceeding part of regulated proportion cannot be exercised in the following 36 months after purchase and such part shall not be accounted into the total amount of voting shares presenting on the shareholders' meeting.

The Board of Directors, independent directors, the shareholder(s) holding 1% or more of voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the securities regulators under the State Council may act as the solicitors, or entrust securities companies and securities service agencies, to publicly request the Company's shareholders to entrust them to attend the shareholders' meeting and exercise shareholder's rights such as right of making motions and voting rights on behalf of such shareholders.

In the case of soliciting shareholders' rights in accordance with the preceding paragraph, the solicitor shall disclose the solicitation documents and the Company shall provide assistance.

While soliciting votes from shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are solicited. No consideration or other form of de facto consideration shall be offered for the public solicitation of rights from shareholders. Except conditions provided in the laws, the Company shall not impose any limitation related to the minimum shareholding percentage on the solicitation of voting rights.

If a public solicitation of rights from shareholders is in violation of any laws, administrative regulations, or the relevant provisions of the securities regulators under the State Council, resulting in losses to the Company or its shareholders, the solicitor shall be liable to indemnify according to the law.

Article 100 Any resolutions adopted at a shareholders' meeting consist of ordinary resolutions and special resolutions.

Any ordinary resolutions made at a shareholders' meeting shall be adopted by over half of the voting rights held by the shareholders present at such meeting.

Any special resolutions made at a shareholders' meeting shall be adopted by more than 2/3 of the voting rights held by the shareholders present at such meeting.

The following matters shall be decided by an ordinary resolution at a shareholders' meeting:

- (i) the work reports of the board of directors;
- (ii) the plans proposed by the board of directors to distribute profits or make up for losses;
- (iii) the appointment, removal, remunerations and payment of the members of the Board of Directors;
- (iv) the annual budget, final account plans, balance sheet, income statement and other financial statements of the Company;
- (v) any other matters that shall be decided by a resolution other than a special resolution as provided for by law, administrative regulations or these Articles of Association.

Article 101 The following matters shall be decided by a special resolution at a shareholders' meeting:

- (i) when the Company increases or decreases its registered capital;
- (ii) when the Company divides, spin-off, merges, dissolves or liquidates;
- (iii) when these Articles of Association are revised;
- (iv) when the Company within one year buys or sells material assets or provides guarantees to others whose amount has exceed 30% of the latest audited total assets of the Company;
- (v) any other matters required to be adopted by a special resolution as provided for by the law, rules and regulations or the Articles of the Association of the Company or an ordinary resolution of a shareholders' meeting confirms to have material effect on the Company.

Article 102 When a shareholders' meeting considers related transactions, affiliated shareholders shall not participate in the voting and the number of the voting rights shares represented by such affiliated shareholders shall not be counted when calculate the total number of effective votes; the public announcement concerning the resolution of the shareholders' meeting shall fully disclose the votes of non-affiliated shareholders.

Any vote respect to any related transactions at a shareholders' meeting shall be valid only when such matters are adopted by over half of the non-affiliated shareholders (including the proxies of such shareholders) present at the shareholders' meeting; but, if such matters are those as provided for in Article 101 of these Articles of Association, then the vote with respect to such matters shall be valid only when they are adopted by 2/3 of the voting rights represented by the non-affiliated shareholders (including the proxies of such shareholders) present at the shareholders' meeting.

Any material related transactions exceeding RMB30 million and representing more than 5% of the latest audited net assets of the Company shall be submitted to a shareholders' meeting for consideration. The Company shall disclose such material related transactions according to the relevant requirements of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

Article 103 Except when the Company is under a special circumstance such as a crisis, the Company shall not, without an approval by a special resolution at a shareholders' meeting, enter into a contract to handover all or part of the management of important matters of the Company to a person other than to a director or a senior officers.

Article 104 The list of candidates for director shall be proposed to the shareholders' meeting for voting.

The Board of Directors shall provide the curriculum vitae and basic information of the candidates for directors five days before a shareholders' meeting is held.

The candidates for directors shall undertake in writing to accept the nomination before the shareholders' meeting, warrants that the information disclosed publicly about the candidates for the directors are true, complete and guarantee that they will perform the duties and obligations as directors once appointed.

The candidates for the directors of the Company shall be nominated in the following method:

1. The shareholders shall negotiate to nominate the candidates for the members of the first Board of Directors of the Company;

The major shareholders shall prepare and submit the list of the candidates for the directors nominated to the shareholders' meeting.

2. Except for the first Board of Directors of the Company, the candidates for the directors of any successive Board of Directors shall be nominated by the shareholders holding more than 1% (including 1%) of the shares or by three directors of the previous Board of Directors of the Company. The previous Board of Directors shall be responsible to prepare and submit a proposal to the shareholders' meeting for voting.
3. The Board of Directors may present a list of candidates for independent directors; any shareholder holding more than 1% (including 1%) of the shares may nominate any candidates for independent directors.

Article 105 Voting by secret ballot shall be used at a shareholders' meeting. Before a proposal is voted on at a shareholders' meeting, two shareholder representatives shall be recommended to participate in the vote count or overseeing. If a shareholder has connection with the matters under consideration, such shareholder and the proxy of such shareholder shall not participate in vote count or overseeing. When a proposal is voted on at a shareholders' meeting, a lawyer or shareholder representative shall be responsible together to count and oversee the votes and declare the results of such vote on the spot and the results of the vote shall be recorded in the meeting minutes.

Only one method shall be selected from on-site, internet or other votes in respect of the same voting rights. If any vote is repeated in respect of the same voting rights, the first vote shall prevail.

Any shareholder of the Company or the proxy of such shareholder shall have right to verify the results of his vote through the corresponding voting system if such shareholder or the proxy of such shareholder has voted by way of internet or any other means.

Article 106 When the proportion of equity interest in the shares owned by a single shareholder of the Company or its persons acting in concert is more than 30% or more or when any shareholder of the Company and its affiliates has held more than 50% of the equity in the Company, the cumulative voting method shall be used to appoint directors.

When two or more independent directors are to be elected at the shareholders' meeting of the Company, the cumulative voting method shall be adopted. The votes casted by minority shareholders shall be counted separately and disclosed.

Article 107 The cumulative voting method shall be as follows:

- (i) Each share held by a shareholder shall have the same voting rights as the number of the candidates for directors, when the Board of Directors and the shareholders in compliance with the requirements propose the candidates for directors, the voting rights of each share shall be calculated in respect of the number of the candidates for directors which are not repeated;
- (ii) When the shareholders vote in respect of the candidates for directors, the voting rights may be exercised separately to give each candidate for director the number of voting rights represented by each share that is the same as the number of shares held by them; the voting rights may also be exercised collectively to give each candidate for director all voting rights represented by each share held by them that is the same as the number of the candidates for directors or give a number of candidates for directors respectively part of the voting rights represented by each share held by them that is the same as the number of the candidates for directors;
- (iii) After the shareholders have exercised collectively all the voting rights represented by each that is the same as the number of the candidates for directors in respect of one or more candidates for directors, such shareholders shall have no voting rights in respect of other candidates for directors;
- (iv) Where the aggregate number of the voting rights exercised collectively by the shareholders in respect of one or more candidates for directors is more than the shares having voting powers held by such shareholders, the votes by the shareholders shall be void and such shareholders shall be deemed to have waived exercised collectively by the shareholders in respect of one or more candidates for directors is less than the shares having voting powers held by such shareholders, the votes by the shareholders shall be effective, the voting rights shall be deemed to have been waived in respect of the margin;
- (v) The candidates for directors who receive votes representing more voting rights shall be elected as the directors;
- (vi) Independent directors and other directors shall be elected separately so as to ensure the proportion of independent directors in the Board of Directors.

Article 108 Except the cumulative voting system, a shareholders' meeting shall vote on each proposal on a case by case basis. If there are more than one proposal regarding the same matter, vote shall be made on the proposal raised in the order of time. Unless a shareholders' meeting suspends or no resolutions may be made, the shareholders' meeting shall not stay a proposal or fail to vote on it.

There shall be no amendments to any proposal under the consideration of a shareholders' meeting. Any amendments shall be deemed as a new proposal and shall not be voted on at such shareholders' meeting.

Article 109 An on-site shareholders' meeting shall not conclude earlier than a shareholders' meeting by way of internet or any other means. The chairman of the meeting shall declare the results of vote with respect to each proposal and declare whether or not such proposal has been adopted on the basis of such results. Before the official results are publicized, all relevant parties such as the onsite shareholders' meeting, the companies involved in the vote by way of internet or other means, vote counter, vote overseer, shareholders and the internet service providers shall have the obligations to keep confidential such results.

Decisions at a shareholders' meeting should be announced as soon as possible. The announcement should specify the number shareholders and proxies attending the meeting, the total number of shares held with voting rights and the percentage thereof in the total voting rights shares of the Company, the method of voting, voting results for each resolution and detailed contents of each resolution adopted.

If a resolution is not adopted, or if the shareholders' meeting changes the decision of the last shareholders' meeting, this should be specially noted in the announcement of the decisions of the shareholders' meeting.

Article 110 A shareholder who attends any shareholders' meeting shall express one of the following opinions with regard to the proposals submitted for voting for, against or abstention. The securities registration and clearing institution shall act as the nominee for the Shanghai-Hong Kong Stock Connect Program shares and a portion of H shares, except when declared according to the intention of the actual holder.

The voter shall be deemed to have given up the voting rights in respect of any voting polls not completed, completed wrongly or not made and the results of the vote with respect to the number of shares held by such voter shall be "abstention".

If the Hong Kong Listing Rules require that any shareholder must give up his voting rights in respect of certain resolution matter or restrict any shareholder to vote for (or against) certain resolution matter, the votes casted by such shareholder or his representative in violation of any relevant regulations or restrictions shall not be counted.

Article 111 If a resolution is adopted with respect to the election of any directors at a shareholders' meeting, the new directors shall act as directors on the date when such resolution is adopted at the shareholders' meeting; where laws, regulations and regulatory provisions provide otherwise, their appointments shall take effect from the day when they comply with the relevant provisions.

Article 112 If a resolution is adopted at a shareholders' meeting with respect to the payment of cash dividend, stock dividend or the capitalization of the capital reserve, the Company shall implement the specific plan within 2 months after such shareholders' meeting concludes.

CHAPTER 6 DIRECTORS AND BOARD OF DIRECTORS

Section 1 General Provisions in Relation to Directors

Article 113 A director of the Company shall a natural person. If the Company has any independent directors, such directors must accept the counselling and training provided by the Company.

Article 114 A director of the Company shall meet the following basic conditions:

- (i) being of honesty, integrity and good behaviour;
- (ii) being familiar with securities laws, administrative regulations, rules and other regulatory documents;
- (iii) having more three years of working experience in securities, fund, finance, laws, accounting and information technology relevant to the duties of a director of the Company;
- (iv) having management experience and business management capability commensurate with the duties of a director of the Company;
- (v) other conditions as provided for by the law, administrative regulations, departmental rules and the provisions of these Articles of Association.

Article 115 Individuals proposed to be appointed as chairman or vice chairman of the Company shall, in addition to possessing the qualifications to serve as a director of the Company, meet the requirements for professionals engaged in the securities and fund industries.

Article 116 None of the following persons may hold the position of a director of the Company:

- (i) those without capacity or with limited capacity for civil conduct;
- (ii) those sentenced to criminal punishment for embezzlement, bribery, seizure of property, appropriation of property or disrupting economic orders of the socialist market, those deprived of political rights for crimes committed, where no more than 5 years have elapsed since the expiration of the enforcement period, or those sentenced to probation, where no more than 2 years have elapsed since the expiration of the probation period;
- (iii) directors or managers of bankrupt and liquidated companies or enterprises who were personally responsible for the bankruptcy of such companies or enterprises, where no more than 3 years have elapsed since the date of completion of the bankruptcy liquidation;
- (iv) legal representatives of companies or enterprises that had the business license revoked or were ordered to close down for violating the law, where such legal representatives bear personal liability therefor and no more than 3 years have elapsed since the date of revocation of the business license or the close-down order;

- (v) those listed as dishonest persons subject to enforcement by the people's court for relatively large amount of personal debts that have fallen due but have not been repaid;
- (vi) those who have been prohibited by the CSRC from participating in the securities market, where the enforcement period has not expired;
- (vii) those who have been publicly determined by a stock exchange to be unfit to serve as directors or senior officers of a listed company, where the period of such determination has not elapsed;
- (viii) other circumstances specified by the laws, administrative regulations, departmental rules or the provisions of these Articles of Association.

Besides the circumstances stipulated in the preceding paragraph, a person shall also be ineligible to serve as a director of the Company under any of the following circumstances:

- (i) a responsible person of a stock exchange, securities registration and clearing institution or a director, supervisor or senior officer of a securities company removed from office for violating the laws or discipline, where it has not been more than 5 years since the date of such removal;
- (ii) any lawyers, certified public accountants or professionals of other securities service institutions, whose practicing certificates or qualifications were revoked for violating the laws or discipline, where it has not been more than 5 years since the date of the revocation of certified certificates or qualifications;
- (iii) employees of stock dealing institutions, securities companies, securities registration and clearing institution, securities service institutions who have been dismissed for any act against law or relevant discipline, and government officers who have been dismissed;
- (iv) any persons working in any State organs or other persons prohibited by the laws or administrative regulations from concurrently working in the Company;
- (v) a person who has committed an offence of endangering national security, terrorism, corruption, bribery, infringement of property, misappropriation of property, crime of underworld or sabotaging social economic order and has been punished for committing such offence, or who has been deprived of his/her political rights for a criminal act;
- (vi) a person who has received any administrative punishments from any financial regulators or is prohibited by the CSRC from participating in the securities market for seriously violating laws, rules and regulations, where no more than 5 years have elapsed since the expiry of the enforcement period;
- (vii) a person whose fund practicing qualification has been revoked by the CSRC or fund practicing qualification has been cancelled by the fund industry association in the past 5 years;

- (viii) a person who is a former legal representative and principal person in charge of the operation and management of an institution which has been taken over, cancelled or declared bankrupt or whose business license has been revoked, where no more than 5 years have elapsed since the date on which the company was taken over, cancelled or declared bankrupt or its business license was revoked, unless it is proven that such person is not personally liable for such issues;
- (ix) a person determined by the CSRC to be inappropriate candidates or subject to disciplinary sanction by an industry association of being unsuitable for engaging in the relevant business, where the relevant limitation period has not expired;
- (x) a person who has been subject to an investigation by administrative authorities or an investigation by judicial authorities for suspected illegal crimes, while such case has not yet been closed to form a final opinion;
- (xi) other circumstances as determined by the CSRC according to law.

If a director is elected, appointed or engaged in violation of the provisions of these Articles of Association, such election, appointment or engagement shall be invalid. If any conditions as set forth in these Articles of Association occur with respect to a director during his/her term of office, the Company shall remove such director from office and cease his/her performance of duties.

Article 117 Directors shall be appointed and replaced by a shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their term of office. The term of office of the directors is three years. Upon the expiry of the term of office, such directors may be re-elected and re-appointed. The independent directors have the same tenure as other directors, provided that the consecutive reappointment of the independent directors shall not exceed six years.

The shareholders' meeting may remove any director by a resolution, which shall come into effect from the date on which such resolution is made. Where a director is removed from office prior to expiration of his/her term of office without reasonable cause, the director may demand compensation from the Company.

When a director is removed before the expiry of his/her term of office, an explanation shall be made at a shareholders' meeting; the removed director shall have the right to make a statement to the shareholders' meeting, the CSRC or its branches. Subject to compliance with the relevant laws and administrative regulations, a director may be removed by an ordinary resolution at the shareholders' meeting before the term of office of such director has expired; however, any claims for compensation based on any contract shall not be prejudiced thereby.

The term of office of a director shall be calculated as from the date when such director takes office, until the expiry of the term of the incumbent Board of Directors. When the directors' term of office expires and a re-election is not held in time, the original directors shall continue to perform their obligations according to the laws, administrative regulations, departmental rules and the provisions of these Articles of Association before the newly elected directors take office.

A director may be a senior officer, provided that the total number of directors who are also senior officers and directors who are employee representatives shall not exceed half of the total number of directors of the Company.

The employee representatives on the Board of Directors shall be elected and removed by the Company's employees at the employee representatives' meeting, employee meeting or otherwise democratically.

Article 118 Directors shall comply with the laws, administrative regulations and the provisions of these Articles of Association, and shall have a duty of loyalty towards the Company. They shall take measures to avoid conflicts between their own interests and those of the Company, and shall not leverage their powers and positions to seek improper benefits.

Directors shall bear the following duties of loyalty to the Company:

- (i) not to embezzle properties of the Company or misappropriate the corporate funds;
- (ii) not to open any deposit accounts in his/her own name or other person's name by using the funds of the Company;
- (iii) not to use the authority to take bribes or solicit other illegal incomes;
- (iv) not to directly or indirectly sign any contract or deal with the Company without reporting to the Board or the shareholders' meeting and being approved by a resolution of the Board or the shareholders' meeting in accordance with the provisions of these Articles of Association;
- (v) not to use their position to obtain business opportunities which should be available to the Company for themselves or others, unless such opportunities have been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting or the Company is not able to take advantage of the business opportunity in accordance with the laws, administrative regulations or the provisions of these Articles of Association;
- (vi) not to run his/her own or others' business which is similar to the Company's business without reporting to the Board of Directors or the shareholders' meeting and being approved by a resolution of the shareholders' meeting;
- (vii) not to occupy as his/her own the commission generated as a result of any transaction with the Company;
- (viii) not to disclose any secrets of the Company without any authorization;
- (ix) not to injure the interests of the Company by using his/her related party relationship;
- (x) other duties of loyalty as provided for by the law, administrative regulations, departmental rules and the provisions of these Articles of Association.

Any income obtained by a director in violation of this Article shall be attributable to the Company; if the Company suffers any losses, such director shall be liable to compensate.

The provisions of item (iv) of paragraph 2 of this Article shall apply to the conclusion of contracts or engagement in transactions with the Company by close relatives of the directors and senior officers or enterprises directly or indirectly controlled by the directors and senior officers or their close relatives, as well as persons who are otherwise related to the directors and senior officers.

Article 119 A director shall have a duty of care towards the Company in accordance with the law, administrative regulations and these Articles of Association, and exercise the reasonable care that a manager generally should have to serve the best interests of the Company in performing their duties.

A director shall have a duty of care towards the Company, as follows:

- (i) to exercise the rights conferred on him by the Company in a prudent, careful and diligent manner to ensure that the business conduct of the Company is in compliance with the requirements of the State laws, administrative regulations and various national economic policies and the business activities of the Company are not beyond the scope of its business licence;
- (ii) to give fair treatment to all shareholders;
- (iii) to understand the operation and management of the business of the Company promptly;
- (iv) to confirm any securities issuance documents and regular reports of the Company by signing on them; to ensure that the information disclosed by the Company is true, accurate and complete;
- (v) to provide relevant true information and materials to the Audit and Related Party Transactions Control Committee and not to interfere with the duties and powers exercised by the Audit and Related Party Transactions Control Committee;
- (vi) any other duties of care as provided for by the law, administrative regulations, departmental rules and the provisions of these Articles of Association.

Article 120 If a director has failed to attend any two consecutive meetings of the Board of Directors in person or appoint other directors to attend such meetings on his behalf, such director shall be deemed incapable of performing his duties, and the Board of Directors shall make recommendation to a shareholders' meeting for replacement.

Article 121 A director may resign prior to the expiry of his office term. If a director resigns, such director shall submit in writing a letter of resignation to the Board of Directors, and the resignation shall take effect on the date the Company receives the letter of resignation, and the Board of Directors shall disclose relevant information within 2 days.

If the members of the Board of Directors fall below the minimum statutory requirements due to the resignation of a director, the resigning director shall continue to perform his duties as a director in accordance with the law, administrative regulations, departmental rules and the provisions of these Articles of Association until a newly-elected director takes office.

Subject to the relevant regulations and the regulatory regulations of the place where the Company's shares are listed, if the Board of Directors appoints any new director to fill the casual vacancy or to increase the number of directors, the directors so appointed shall take office only until the following annual shareholders' meeting, where such directors shall be qualified to be re-elected and re-appointed.

Article 122 The Company shall establish a director resignation management system, clarifying safeguard measures to hold accountable and seek compensation for unfulfilled public commitments and other unresolved matters. When a director resigns or his term of office expires, the director shall complete all handover procedures with the Board of Directors. The duty of loyalty of such director towards the Company and the shareholders shall not cease upon the expiry of his office term and shall survive the expiry of such office term for 3 years. A director's liability arising from the performance of his duties during his tenure shall not be exempted or terminated by his resignation.

Article 123 Without any legal authorization by these Articles of Association or the Board of Directors, no director shall use his personal capacity to represent the Company or the Board of Directors. If any third parties reasonably believe that a director represents the Company or the Board of Directors while such director acts in his own name, such director shall make a prior statement as to his position and capacity.

Article 124 If any damage is caused to others due to the exercise of his duties by a director to the Company, the Company shall be liable for compensation. If the director is found to have acted intentionally or with gross negligence, he shall also be liable for compensation.

If the Company suffers any losses due to the exercise of his duties by a director in violation of the law, administrative regulations, departmental rules or the provisions of these Articles of Association, such director shall be liable to compensate.

Section 2 Board of Directors

Article 125 The Company shall have a Board of Directors which shall be responsible to the shareholders' meeting. The Board of Directors shall be made up of 13 members, of whom the number of independent directors shall not be less than 1/3 and the number of executive directors shall not be more than 2, and one director shall be employee representative. The Board of Directors shall have one chairman and may have vice chairmen. The chairman and vice chairmen shall be elected by more than half of the members of the Board of Directors.

Article 126 The Board of Directors shall exercise the following powers and duties:

- (i) to convene a shareholders' meeting and submit work report to such meeting;
- (ii) to implement the resolutions of a shareholders' meeting;
- (iii) to decide on the operation plan, investment scheme and development strategy of the Company;
- (iv) to prepare the draft annual budget and final accounts of the Company;
- (v) to prepare the profit distribution plan and the plan for making up for losses of the Company;
- (vi) to prepare the plan for the Company to increase or reduce its registered capital, issuance of bonds and other securities and other listing plans;
- (vii) to prepare plans of the Company with respect to material acquisitions, acquisition of the Company's shares for any reasons provided for in Item (i) and Item (ii) of Article 29 of the Articles of Association, mergers, divisions, dissolution or changes of the form of the Company;
- (viii) to decide on the Company's external investments, purchases and sales of assets, pledge of assets, external guarantees, trust management, related parties transactions and external donations within the scope of authorization by a shareholders' meeting;
- (ix) to decide on the establishment of the internal management organizations of the Company;
- (x) to decide on the appointment or removal of the President or the Board Secretary or the Chief Compliance Officer and other senior officers nominated by the Chairman of the Board of Directors and decide on the remuneration and rewards and punishments thereof; to decide on the appointment or removal of the Vice President, Assistant President, Chief Financial Officer, Chief Risk Officer, Chief Information Officer and other senior officers nominated by the President and decide on the remunerations and rewards and punishments thereof. The Company can only dismiss the Chief Compliance Officer with the following proper reasons: situations such as the application made by the Chief Compliance Officer on his own, or being ordered to replace by the CSRC and its local office, or where there is evidence showing that he is unable to perform his duties properly or has failed to act diligently;

- (xi) to establish a basic management system of the Company;
- (xii) to prepare plans to amend these Articles of Association;
- (xiii) to manage the matters related to the information disclosed by the Company;
- (xiv) to make suggestions to a shareholders' meeting regarding the engagement or replacement of the accounting firm as the auditor of the Company;
- (xv) to receive the work report of the President of the Company and examine such work;
- (xvi) to be responsible to urge, examine and evaluate the establishment and implementation of various internal control systems of the Company and to undertake final responsibility for the validity of such internal control systems;
- (xvii) to be responsible to determine the compliance management objectives of the Company, consider and approve the basic compliance management rules and the annual compliance report, decide the dismissal of any senior management member who assume the primary and leadership responsibility for the occurrence of major compliance risks, establish the mechanism for direct communication with the person in charge of compliance, evaluate the effectiveness of compliance management, and supervise the resolution of problems in relation to compliance management;
- (xviii) to take ultimate responsibility for comprehensive risk management;
- (xix) to review the Company's information technology management objectives and take responsibility for the effectiveness of information technology management;
- (xx) to be responsible for deciding the repurchase of the Company's shares for any reasons provided for in Item (iv) and Item (v) of Article 29 of these Articles of Association;
- (xxi) other powers and duties conferred by the law, administrative regulations, departmental rules, these Articles of Association or the shareholders' meeting.

Matters beyond the scope of authorization of the shareholders' meeting shall be submitted to the shareholders' meeting for approval.

Article 127 The Board of Directors shall make an explanation to the shareholders' meeting in respect of any non-standard auditor's opinion issued by the certified public accountants with respect to the financial report of the Company.

Article 128 The Board of Directors shall establish rules of procedure for the Board meetings so as to ensure that the Board of Directors implements the decisions of any shareholders' meetings, increases work efficiency and makes decisions in a scientific way.

Article 129 The Board of Directors shall determine the power of authority for making external investments with the assets of the Company, purchases and sales of assets, pledge of assets, external guarantees, trust management, related parties transactions, external donations and establish strict examination and decision procedures; for the purpose of material investment projects, relevant experts and professionals shall be organized to review and evaluate and such projects shall be submitted to a shareholders' meeting for approval.

The total amount of one-time external investments decided by the Board of Directors of the Company or the total amount of the assets purchases and sales, assets pledge or trust management or the aggregate amount of external investments, or the total amount of the assets purchases and sales, assets pledge or trust management within 4 months shall not exceed 10% of the latest audited net assets of the Company; if such percentage is exceeded, it shall be submitted to a shareholders' meeting for approval.

External investments shall strictly comply with the provisions of the State laws and regulations as well as the development plan and operation policies of the Company determined at a shareholders' meeting.

Article 130 The Chairman of the Board of Directors shall exercise the following powers and duties:

- (i) To preside over the shareholders' meetings and convene and preside over Board meetings;
- (ii) To urge and examine the implementation of the resolutions of Board meetings;
- (iii) To execute important papers of the Board of Directors;
- (iv) Other powers and duties granted by the Board of Directors.

Article 131 The Vice Chairman of the Board of Directors of the Company shall assist the Chairman of the Board of Directors with his work. If the Chairman of the Board of Directors is not able or fails to perform his duties, the Vice Chairman shall perform such duties (in case there are two or more Vice Chairmen of the Board of Directors, the Vice Chairman elected by over half of the directors shall perform such duties); If the Vice Chairman is not able or fails to perform such duties, a director elected by over half of the directors shall perform such duties.

Article 132 Employee directors shall lawfully enjoy the same rights as other directors, bear corresponding obligations, and fulfill the special responsibilities representing employee interests, reflecting employees' reasonable demands, and safeguarding the legitimate rights and interests of employees and the Company in accordance with laws and regulations.

The main special responsibilities of employee directors include:

- (i) to fully express opinions on behalf of employees at the meeting when the Board of Directors considers or studies the rules and regulations or significant matters involving the vital interests of employees;
- (ii) to reflect the democratic appraisal results of the employee representative meeting and express opinions when the Board of Directors studies matters such as the renewal, dismissal, and remuneration of senior management members of the Company;
- (iii) to propose for consideration of a resolution on the Company's labor relations at a Board meeting, or to present a special report on labor relations and employee interest matters at least once a year;
- (iv) when reviewing resolutions of the Board of Directors, if content that may harm employee interests is found, or if there is a conflict with the resolutions and decisions of the employee representative meeting, or provisions of collective bargaining agreements, to make a suggestion on postponing consideration, and propose amendments after hearing opinions from the trade union and employee representatives;
- (v) to express opinions on the Company's labor relations and matters concerning the vital interests of employees when attending relevant meetings as non-voting attendees.

Article 133 The Board of Directors shall hold at least four meetings every year, such meetings shall be convened by the Chairman of the Board of Directors. A written notice shall be sent to all directors 14 days before such meeting.

Article 134 The shareholders representing more than 1/10 of the voting rights, more than 1/3 of the directors or the Audit and Related Party Transactions Control Committee, more than half of independent directors may propose to hold any interim Board meetings. Within 10 days upon receipt of such proposal, the Chairman of the Board of Directors shall convene and preside over such Board meetings.

Article 135 The notice to convene an interim Board meeting shall be delivered by person, post, fax or e-mail; such notice shall be given to all directors 5 days before the meeting.

If an interim Board meeting needs to be held as soon as possible in an emergency condition, a meeting notice may be given by phone or other oral means, but the convener shall give an explanation at such meeting.

Article 136 A Board meeting notice shall include:

- (i) the date and venue of the meeting;
- (ii) the period of such meeting;
- (iii) the subject matters and agenda;
- (iv) the date of the notice.

Article 137 Unless as otherwise provided in these Articles of Association, a Board meeting shall be held only when more than half of the directors are present. Unless as otherwise provided in these Articles of Association, any resolutions made at a Board meeting shall be adopted by more than half of all directors.

Each director shall have one vote in respect of any resolutions to be adopted at a Board meeting.

Article 138 If a director is related to an enterprise or an individual involved in a resolution to be adopted at a Board meeting, such director shall promptly report it in writing to the Board of Directors. The related director shall not exercise his voting rights or on behalf of any other directors in respect of such resolution. Such Board meeting may be held when more than half of non-related directors are present; any resolutions made at such Board meeting shall be adopted by more than half of non-related directors. If the number of non-related directors present at such Board meeting is less than 3, such matters shall be submitted to a shareholders' meeting for consideration.

Article 139 A director shall attend any Board meetings in person. If a director fails to attend for any reasons, such director may appoint in writing other directors to attend such meeting on his behalf. Independent directors shall not appoint non-independent directors to vote on their behalf.

A power of attorney shall indicate the name of the proxy, agency matters, powers and valid period and shall be executed or sealed by the principal.

The representative who attends the meeting on behalf of the director shall act as a director within the scope of such power of attorney. If a director fails to attend a Board meeting in person or appoint any representative to attend on his behalf, such director shall be deemed to have waived his voting rights at such meeting.

Article 140 Unless it is impossible to hold an onsite meeting or a meeting by video or telephone due to any special reasons such as emergencies or force majeure events, a Board meeting shall be held by way of an on-site meeting or by video or telephone. When necessary, with the consent of the convener, votes may be casted through communications, provided that directors are ensured to express their opinions fully.

Voting with respect to any Board resolutions shall be made by show of hands or polls.

Article 141 A Board meeting shall prepare meeting minutes concerning any matters decided at such meeting. The directors present at such meeting shall sign the meeting minutes.

The minutes of a Board meeting shall be kept by the Company on file for 15 years.

Article 142 A Board meeting minutes shall include:

- (i) the date, venue and convener's name of the meeting;
- (ii) the names of the directors present at the meeting and the names of the directors (representatives) appointed to attend such meeting;
- (iii) the agenda of the meeting;
- (iv) the main points of directors' address;
- (v) the voting method and results with respect to each matter to be adopted at such meeting (the voting results shall indicate the number of votes for or against or the abstention).

Directors shall sign Board resolutions and be liable for such resolutions. If a Board resolution causes any losses to the Company by violating the law and regulations or these Articles of Association, the directors participating in such resolution shall be liable to the Company for compensation. However, if a director expresses his objections at the time of voting and such objections are recorded in the meeting minutes, such director may be excused from such liability.

Section 3 Independent Directors

Article 143 Independent directors shall diligently perform their duties in accordance with laws, administrative regulations, and provisions of the CSRC, stock exchanges, and these Articles of Association. They shall play roles in participating in decision-making, supervising and checking balances, and providing professional consultation in the Board of Directors, safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Article 144 Independent directors must maintain their independence, and none of the following persons may hold the position of independent directors of the Company:

- (i) any person who holds a position in the Company and its subsidiaries, or his/her spouse, parents, children, or major social relations;
- (ii) any individual shareholder who directly or indirectly holds 1% or more of the issued shares of the Company or who ranks among the top 10 shareholders of the Company, or his/her spouse, parents, or children;
- (iii) any person who holds a position in a shareholder entity that directly or indirectly holds 5% or more of the issued shares of the Company or that ranks among the top 5 shareholders of the Company, or his/her spouse, parents, or children;
- (iv) any person who holds a position in a subsidiary of the controlling shareholder or actual controller of the Company, or his/her spouse, parents, or children;

- (v) any person who has significant business transactions with the Company, its controlling shareholder, actual controller, or any of their respective subsidiaries, or any person who holds a position in an entity that has significant business transactions with the Company or its controlling shareholder or actual controller;
- (vi) any person who provides financial, legal, consulting, sponsorship, or other services to the Company, its controlling shareholder, actual controller, or any of their respective subsidiaries, including but not limited to all members of the project team, reviewers at all levels, persons who sign the reports, partners, directors, senior management, and the primary persons in charge of the intermediaries that provide services;
- (vii) any person who falls under any of the circumstances set forth in items (i) to (vi) in the last 12 months;
- (viii) any other person who is not independent as prescribed by laws, administrative regulations, the provisions of the CSRC, the business rules of the Shanghai Stock Exchange and the Hong Kong Stock Exchange and these Articles of Association.

In addition to the requirements as set forth above, independent directors shall not serve as independent directors of the Company if they do not satisfy the conditions and requirements under the Measures for the Supervision and Administration of the Directors, Supervisors, Senior Executives and Practitioners of Securities and Fund Business Institutions.

Any person may serve as an independent director in a maximum of two securities and fund business institutions. Where laws and regulations and the CSRC provide otherwise, such provisions shall prevail.

The subsidiaries of the controlling shareholder or actual controller of the Company as mentioned in items (iv) to (vi) shall not include an enterprise controlled by the same state-owned assets management institution with the Company and does not constitute any related party relationship according to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.

For the purposes of this article, the term “major social relations” refer to siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, parents of spouses of children, etc. The term “holds a position” refers to serving as a director, supervisor, senior management or other staff position. For the purposes of this article, the term “significant business transactions” refer to matters that are required to be submitted to the shareholders’ meeting for consideration in accordance with the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or these Articles of Association, or other major matters determined by the Shanghai Stock Exchange.

Before the expiration of the term of office of an independent director, the Company may remove him/her from his/her position through statutory procedures. In case of early dismissal of an independent director, the Company shall promptly disclose the specific reasons and grounds therefor. If the independent director has any objections thereto, the Company shall disclose them in a timely manner.

If an independent director fails to comply with the qualification or independence requirements, he/she shall immediately cease to perform his/her duties and resign from his/her office. If he/she does not tender resignation, the Board of Directors shall immediately remove him/her from his/her position in accordance with the provisions after it knows or should have known of the circumstances.

In the event that an independent director resigns from or is dismissed from his/her duties as a result of the circumstances set forth in this Article, resulting in the proportion of independent directors on the Board of Directors or its special committees not complying with the provisions of the laws, these Articles of Association or the listing rules of the place where the Company's shares are listed, or a shortage of accounting professionals among the independent directors, the Company shall complete the by-election of such independent director within sixty days from the date of the occurrence of the foregoing facts.

Independent directors shall conduct a self-assessment on their independence annually and submit the self-assessment results to the Board of Directors. The Board of Directors shall annually evaluate the independence of the incumbent independent directors and issue a specific opinion, which shall be disclosed concurrently with the annual report.

Article 145 An independent director of the Company shall satisfy the conditions as follows:

- (i) being qualified to be a director of the listed companies or securities companies in accordance with laws, administrative regulations and other relevant provisions;
- (ii) meeting the independence requirement as required by the CSRC, the SSE and the Hong Kong Stock Exchange;
- (iii) having basic knowledge on the operation of listed companies and being familiar with relevant laws, regulations and rules;
- (iv) having over five years of work experience in law, accounting or economics and other necessary experience for performing the duties of an independent director;
- (v) having good personal moral character and no major breach of integrity or other adverse records;
- (vi) other conditions as provided for by the laws, administrative regulations, CSRC regulations, business rules of the SSE and the Hong Kong Stock Exchange and these Articles of Association.

Article 146 As members of the Board of Directors, independent directors shall have duties of loyalty and diligence to the Company and all shareholders, and shall prudently perform the following duties:

- (i) participating in the decision-making of the Board of Directors and expressing explicit opinions on the matters considered;
- (ii) supervising the matters on potential material conflicts of interest between the Company and controlling shareholders, actual controller, directors and senior management, and protecting the lawful rights and interests of minority shareholders;
- (iii) providing professional and objective advice on the operation and development of the Company and improving the decision-making of the Board of Directors;
- (iv) performing other duties prescribed by laws, administrative regulations, provisions of the CSRC, the listing rules of the place where the Company's shares are listed and these Articles of Association.

Article 147 An independent director may exercise the following special powers:

- (i) engaging intermediaries independently to conduct audit, consultation or verification on specific matters of the Company;
- (ii) proposing to the Board of Directors to convene an extraordinary shareholders' meeting;
- (iii) proposing to convene Board meetings;
- (iv) soliciting shareholders' rights from shareholders publicly in accordance with laws;
- (v) expressing independent opinions on matters that may prejudice the rights and interests of the Company or minority shareholders;
- (vi) other powers prescribed by laws, administrative regulations, provisions of the CSRC and these Articles of Association.

Independent directors shall seek the consent of a majority of all independent directors before exercising the powers under items (i) to (iii) of the preceding paragraph.

The Company shall make disclosure in a timely manner if an independent director exercises the power specified in paragraph 1 of this article. If the aforesaid power cannot be performed normally, the Company shall disclose the specific circumstances and reasons therefor.

Article 148 The following matters shall be submitted to the Board of Directors for consideration after approval by a majority of all independent directors of the Company:

- (i) related party transactions that should be disclosed;
- (ii) the Company and the relevant parties' plan to change or waive the undertaking;
- (iii) the decisions made and measures taken by the board of directors of the acquired company regarding the acquisition;
- (iv) other matters stipulated by laws, administrative regulations, provisions of the CSRC and these Articles of Association.

Article 149 The Company shall establish a mechanism for special meetings attended by all independent directors. Matters such as the consideration of related party transactions by the Board of Directors shall require prior approval by the Special Meeting of Independent Directors.

The Company shall hold a Special Meeting of Independent Directors on a regular or irregular basis. Matters listed in items (i) to (iii) of the paragraph 1 of Article 147, and Article 148 of these Articles of Association shall be considered at the Special Meeting of Independent Directors.

The Special Meeting of Independent Directors may study and discuss other matters of the Company if necessary.

The Special Meeting of Independent Directors shall be convened and presided over by an independent director jointly elected by a majority of the independent directors; in the event that the convener fails to or is unable to perform his/her duties, two or more independent directors may convene and elect a representative to preside over the meeting on their own.

Meeting minutes shall be prepared for the Special Meeting of Independent Directors in accordance with regulations, and the opinions of independent directors shall be recorded in the meeting minutes. Independent directors shall sign the meeting minutes for confirmation.

The Company shall facilitate and support the convening of the Special Meeting of Independent Directors.

Section 4 Special Committees of the Board of Directors

Article 150 The Company shall have a Risk Management Committee, an Audit and Related Party Transactions Control Committee, a Remuneration, Nomination and Credentials Committee, and a Strategy and Sustainable Development Committee under the Board of Directors according to the Company Law and the relevant regulations of the CSRC, with a view to strengthening the decision-making function of the Board of Directors, so as to ensure the Board of Directors shall effectively monitor the management and perfect the corporate governance structure of the Company. The establishment of any special committees under the Board of Directors shall be approved at a shareholders' meeting by resolution.

The members of a special committee shall consist of directors. The independent directors shall represent a majority of the number of members of the Remuneration, Nomination and Credentials Committee. An independent director shall act as the convener.

An independent director who is an accounting professional shall act as the convener of the Audit and Related Party Transactions Control Committee, all members of which shall be directors who are not the officers of the Company, with a majority of independent directors and at least one independent director being an accounting professional who has worked in accounting for more than 5 years.

The Company does not establish a Supervisory Committee, and the Audit and Related Party Transactions Control Committee shall exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law.

Article 151 The Risk Management Committee shall be mainly responsible for monitoring the overall risk management of the Company and controlling such risks within reasonable limits, so as to ensure that the Company may implement effective risk management plans with respect to various risks in the business related activities of the Company. The Risk Management Committee shall be responsible to the Board of Directors and report to it, as follows:

- (i) to evaluate and express opinions with respect to the overall target and basic policies of compliance management and risk management;
- (ii) to evaluate and express opinions with respect to the establishment of compliance management and risk management organizations and the powers and duties thereof;
- (iii) to evaluate and express opinions with respect to the risks of material decisions and the solution of such material risks to be considered by the Board of Directors;
- (iv) to review and express opinions with respect to the compliance report and risk evaluation report to be considered by the Board of Directors;
- (v) other powers and duties as provided for in these Articles of Association.

Article 152 The Audit and Related Party Transactions Control Committee shall be responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating internal and external auditing work and internal control. The following matters shall be submitted to the Board of Directors for consideration with the approval of more than half of all members of the Committee:

- (i) disclosure of financial information in the financial accounting report and periodic report, as well as the internal control and evaluation report;
- (ii) engagement or dismissal of the accounting firm performing audit of the Company;
- (iii) appointment or dismissal of the chief financial officer or officer in charge of finance of the Company;
- (iv) change of accounting policies, accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (v) other matters as stipulated by laws, administrative regulations, provisions of the CSRC, the listing rules of the place where the Company's shares are listed and these Articles of Association.

Save for the above, the Audit and Related Party Transactions Control Committee shall exercise the following powers:

- (i) to monitor and evaluate the external audit work;
- (ii) to monitor and evaluate the internal audit work of the Company;
- (iii) to be responsible for coordination between the internal auditors and external auditors;
- (iv) to monitor annual audit work and make a judgement as to the truthfulness, accuracy and completeness of the financial report and information subsequent to such audit;
- (v) to monitor and evaluate the internal control of the Company;
- (vi) to review and give opinions on the basic management system of the related party transactions, monitor the daily management of the related party transactions and review any material related party transactions;
- (vii) other matters authorized by the Board of Directors of the Company.

Article 153 The Audit and Related Party Transactions Control Committee shall hold at least one meeting every quarter. An extraordinary meeting may be convened upon proposal by two or more members, or when deemed necessary by the convener. Meetings of the Audit and Related Party Transactions Control Committee require the attendance of over two-thirds of its members.

Resolutions of the Audit and Related Party Transactions Control Committee shall be passed by more than half of its members. Voting on resolutions of the Audit and Related Party Transactions Control Committee shall be on a one-member, one-vote basis.

Meeting minutes shall be prepared for the resolutions of the Audit and Related Party Transactions Control Committee in accordance with regulations, and members of the Audit and Related Party Transactions Control Committee attending the meeting shall sign the meeting minutes.

The rules of procedure for the Audit and Related Party Transactions Control Committee shall be formulated by the Board of Directors.

Article 154 The Remuneration, Nomination and Credentials Committee shall be responsible for developing the standards and procedures for the selection of directors and senior management, selecting and reviewing the candidates for directors and senior management and their qualifications, setting appraisal standards for directors and senior management and evaluating them against such standards, formulating and reviewing the remuneration policies and proposals for directors and senior management, and making recommendations to the Board of Directors on:

- (i) the nomination, appointment and removal of directors;
- (ii) the appointment or dismissal of senior management;
- (iii) the remuneration of directors and senior management;
- (iv) the arrangement by directors and senior management of stock ownership plans for subsidiaries to be spun off;
- (v) other matters as required by laws, administrative regulations, provisions of the CSRC, the listing rules of the place where the Company's shares are listed and these Articles of Association.

In addition to the matters as set forth above, the Remuneration, Nomination and Credentials Committee shall perform the following duties:

- (i) to prepare any remuneration plan or scheme in accordance with the main scope, responsibility, importance of the management posts of a director and officer and the remuneration level for the similar posts of other related enterprises. A remuneration plan or scheme shall include but not be limited to performance evaluation criteria, procedures and main evaluation system, and the main plans and systems for rewards and punishments, etc.;

- (ii) to review the performance of any directors and officers of the Company and make annual appraisals of such performance;
- (iii) to be responsible for monitoring the implementation of the remuneration system of the Company;
- (iv) to review and make suggestions at least once a year with respect to the structure, size and composition of the Board of Directors (including skills, knowledge and experience) according to the business activities, asset scale and equity structure of the Company;
- (v) other matters authorized by the Board of Directors.

Article 155 The Strategy and Sustainable Development Committee shall have such main powers and duties, as follows:

- (i) to research and make suggestions with respect to the long-term strategic plan of the Company;
- (ii) to research and make suggestions with respect to any material financing plan required to be approved by the Board of Directors as provided for in these Articles of Association;
- (iii) to research and make suggestions with respect to any material capital operations and asset operation projects required to be approved by the Board of Directors as provided for in these Articles of Association;
- (iv) to set environmental, social and governance (ESG) targets, facilitate the establishment of the ESG system and review ESG reports;
- (v) to research and make suggestions with respect to any other material matters affecting the development of the Company;
- (vi) to examine the implementation of all such matters above;
- (vii) other matters authorized by the Board of Directors.

CHAPTER 7 SENIOR OFFICERS

Article 156 The Company shall have one President and a number of Vice Presidents, Assistant Presidents and other senior officers. The President, the Board Secretary and Chief Compliance Officer shall be appointed and removed by the Board of Directors; the Vice Presidents, Assistant Presidents, Chief Financial Officer, Chief Risk Officer, Chief Information Officer and other senior officers shall be nominated by the President and appointed or removed by the Board of Directors.

The relevant conditions and procedures for the appointment, removal, resignation and function in an acting capacity of the Chief Compliance Officer shall comply with applicable laws and regulations as well as the requirements of the relevant regulatory authorities and the Articles of Association.

Article 157 The provisions of these Articles of Association regarding the circumstances under which a person is not eligible to serve as a director and the management system for departure also apply to senior officers. The duty of loyalty and duty of care of the directors of these Articles of Association respective shall also be applicable to any senior officers.

The senior officers of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

If the senior officers of the Company fail to faithfully perform their duties or violate their fiduciary obligations, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the laws.

Except as otherwise provided for in the law, administrative regulations or by the CSRC, no senior officers of the Company shall hold concurrent positions in any other for-profit institutions.

Article 158 No controlling shareholder of the Company shall serve as any senior executive officers other than director of the Company.

The senior officers of the Company only receive salaries from the Company and shall not be paid by the controlling shareholders on behalf of the Company.

Article 159 The office term for the President shall be 3 years. The President may be re-appointed.

Article 160 The President shall be responsible to the Board of Directors and shall exercise such powers and duties, as follows:

- (i) to manage the operation of the Company, organize to implement the decisions of the Board of Directors and report to the Board of Directors;
- (ii) to organize to implement the annual plan and investment plan of the Company;
- (iii) to prepare the plan for the establishment of internal organizations of the Company;
- (iv) to formulate the basic management system of the Company;
- (v) to formulate specific regulations of the Company;

- (vi) to nominate the Vice Presidents, Assistant Presidents, Chief Financial Officer, Chief Risk Officer, Chief Information Officer and other senior officers identified by the CSRC to be appointed or removed by the Board of Directors;
- (vii) to decide on the appointment or removal of any management personnel other than those required to be appointed or removed by the Board of Directors;
- (viii) to formulate the salary, welfare, rewards and punishments of the employees of the Company and decide on the appointment and removal of such employees;
- (ix) to propose and seek consent from the Chairman of the Board of Directors on convening interim Board meetings;
- (x) to decide on the investment matters of the Company within the scope of authorization of the Board of Directors in accordance with the relevant regulations of the securities regulators;
- (xi) other powers and duties conferred by these Articles of Association or granted by the Board of Directors.

The President shall attend any meetings of the Board of Directors as a non-voting attendee. The President who is not a director shall have no voting rights at a meeting of the Board of Directors; within the scope of authorization of the Board of Directors, the President shall exercise or perform the corresponding powers and duties of a legal representative.

Article 161 Upon request, the President shall report to the Board of Directors or the Audit and Related Party Transactions Control Committee with respect to the conclusion and execution of any material contracts or use of funds and profit or loss of the Company. The President shall ensure that such report is true.

Article 162 When the President decides on such issues as the salary, welfare, work safety, labour protection, labour insurance, removal (or dismissal) of any employees of the Company, the President shall listen to the opinions from the Trade Union and the employee representative congress.

Article 163 The President shall prepare the detailed working rules for the President, which shall be submitted to the Board of Directors for approval before its implementation.

Article 164 The detailed working rules for the President shall include:

- (i) the conditions and procedures for a President's meeting and the persons to attend such meeting;
- (ii) the specific duties for the President, Vice Presidents and other senior officers and the assignment of responsibilities between them;
- (iii) the authority with respect to the use of the funds and assets of the Company and the execution of material contracts as well as the reporting system to make reports to the Board of Directors;
- (iv) other matters considered important by the Board of Directors.

Article 165 In exercising his powers and performing his duties, the President shall comply with the obligations of good faith and diligence in accordance with the law, administrative regulations and the provisions of these Articles of Association to safeguard the interests of the Company and the shareholders. The President shall not seek personal gains by taking advantage of his position and powers in the Company.

Article 166 The President may resign prior to the expiry of his office term. The procedures and methods concerning the resignation of the President shall be provided for in a labour contract between the President and the Company.

Article 167 The Company shall have a Board Secretary who shall be responsible for the preparation of the Company's shareholders' meetings and Board meetings, the custody of relevant documents, the management of the Company's shareholders' information, and the handling of information disclosure, etc.

The Board Secretary shall abide by the laws, administrative regulations, departmental rules and the relevant provision of these Articles of Association.

Any directors or senior officers of the Company may act as the Board Secretary of the Company. An accountant from the accounting firm engaged by the Company shall not act as the Board Secretary of the Company.

In case of a director acting as the Board Secretary of the Company, if an act should be made by both a director and the Board Secretary of the Company, the director acting as the Board Secretary of the Company shall not make such an act in the capacity of a director and the Board Secretary.

Article 168 The Company shall have a Chief Compliance Officer, who shall be the person responsible for the compliance matters of the Company to review, monitor and examine the compliance with respect to the Company and the business management and practice of its personnel. The Chief Compliance Officer shall not serve as any other officer in conflict with compliance management and shall not be responsible for the management of any departments which are in conflict with his compliance duties. The Chief Compliance Officer shall be internally responsible and report to the Board of Directors of the Company and externally responsible and report to the regulators. If the Company is found to have any irregularities or potential compliance risks, the Chief Compliance Officer shall report to the Board of Directors of the Company and the President promptly while the same report shall be submitted to the securities regulatory bureau of the place where the Company is domiciled; if any industry norms or rules of self-regulation are violated, the Chief Compliance Director shall also report the violations to the relevant self-regulation organization.

The Board of the Directors and senior officers of the securities company shall comply with the duties of compliance management and undertake responsibility for the validity of the compliance management of the Company according to the requirements of the laws, regulations and the Articles of Association. The senior management members shall be responsible for implementing the compliance management objectives of the Company, establishing and improving the organizational structure for compliance management of the Company, complying with procedures of compliance management, designating adequate and suitable staff for compliance management, and providing adequate support in terms of human resources, materials, finance and technology for the performance of their duties. The President shall be responsible for operation of the Company in compliance with laws and regulations, and the other senior management members shall be responsible for operation of the respective departments they supervise in compliance with laws and regulations.

Article 169 The Company shall appoint a Chief Risk Officer who is responsible for leading and promoting comprehensive risk management. The Chief Risk Officer shall not concurrently or separately serve in another post or department which conflicts with his duties.

The Company shall guarantee the independence of the Chief Risk Officer. Shareholders and Directors of the Company shall not directly give orders to the Chief Risk Officer or interfere with his work in violation of the prescribed procedures.

Article 170 If a senior officer causes damage to others while performing his/her duties for the Company, the Company shall bear the liability for compensation. If a senior officer is found to have acted intentionally or with gross negligence, he/she shall also bear the liability for compensation.

If a senior officer violates the laws, administrative regulations, departmental rules or the provisions of these Articles of Association while performing the duties of the Company, such officer shall be liable to compensate if any losses are caused to the Company or any lawful rights and interests of clients are injured. The Board of Directors and the Audit and Related Party Transactions Control Committee of the Company shall internally call such officer to account.

The Company shall not pay any penalties or compensations payable by any directors or senior officers.

CHAPTER 8 FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting Systems and Profit Distribution

Article 171 The Company shall formulate its own financial and accounting systems in accordance with laws, administrative regulations and the stipulations of the relevant national authorities.

Article 172 The Company shall submit its annual financial reports to the dispatched office of the CSRC and Shanghai Stock Exchange within 4 months as from the date when each of its financial year concludes, and make disclosures in accordance with the relevant provisions of the Hong Kong Stock Exchange; its semi-annual financial report to the branch of the CSRC and the Shanghai Stock Exchange within 2 months as from the date when the first six months of each of its financial year concludes, and make disclosures in accordance with the relevant provisions of the Hong Kong Stock Exchange.

The annual reports and interim reports above shall be prepared in accordance with relevant laws, administrative regulations, and the regulations of the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed.

Article 173 The Company may not establish any account books other than statutory account books. No account shall be opened in the name of any individuals to deposit any funds of the Company.

Article 174 When any after-tax profits for the current year are distributed, the Company shall allocate 10% of the profit as the statutory reserve fund of the Company and allocate general risk reserve funds according to the regulations. If aggregate amount of the statutory reserve funds exceeds 50% of the registered capital of the Company, no more allocation shall be required.

If the statutory reserve fund is not sufficient to make up for the losses of the previous years, such losses shall be made up for with the profits for the current year before any statutory reserve fund shall be allocated in according with the preceding paragraph.

The Company shall allocate transaction risk reserve funds in accordance with laws, regulations and regulatory requirements to make up for the loss of securities operations.

After the statutory reserve fund has been allocated from the after-tax profit, with the approval of a shareholders' meeting, the Company may allocate any discretionary reserve fund from such after-tax profit.

The remaining profits of the Company shall be distributed in proportion to the shares held by the shareholders after the losses have been made up for and reserve fund has been allocated.

If a shareholders' meeting distributes to shareholders any profits in violation of the Company Law, the shareholders shall return to the Company the profits so distributed; if such distribution causes losses to the Company, the shareholders and the directors and senior management officers who are held liable shall bear compensation liability.

The Company's shares held by the Company shall not participate in any profit distribution.

Article 175 The reserve fund of the Company shall be used to make up for the losses of the Company, to expand the production and operation of the Company or to increase the registered capital of the Company.

When making up losses with reserve funds, the Company shall first use the discretionary reserve fund and the statutory reserve fund; if the losses still cannot be fully covered, the capital common reserve may be used in accordance with the relevant regulations.

When the statutory reserve fund is converted into increase registered capital, the remainder of the reserve fund shall not be less than 25% of the registered capital of the Company to such conversion.

Article 176 A profit distribution plan of the Company shall be in compliance with the relevant regulations, with a view to long-term and sustainable growth. Such factors as the analysis of the operation and development of the Company, the intention of the shareholders and the costs of social funds and the external environment for financing shall also be taken into consideration.

The profit distribution plan of the Company shall be submitted to a shareholders' meeting after it has been reviewed and adopted by the Board of Directors. When a shareholders' meeting considers a cash dividends distribution plan, it shall actively communicate with the shareholders, the minority shareholders in particular to fully listen to their opinions and demands.

After a resolution has been adopted at the shareholders' meeting in respect of a profit distribution plan, or after the Board of Directors of the Company has formulated a specific plan based on the conditions and upper limits for interim dividends for the following year as approved by the annual shareholders' meeting, the Company shall complete the distribution of any dividends (or shares) within 2 months.

Article 177 The Company shall implement a policy of continuous and stable profit distribution. For the distribution of profits, the Company shall pay attention to the reasonable return of investment of investors and give consideration to the sustainable growth of the Company.

The Company may pay dividends in cash, stock or by the combination of cash and stock. Cash dividend payment shall be in preference to stock dividend payment. Normally, the Company shall pay annual dividends. When conditions permit, interim dividends may also be paid.

The objective of the Company's cash dividend policy and the specific conditions for cash dividends are as follows: When the Company has no any material investment plans or any material cash expenditures, provided the funds for normal operation of the Company has been satisfied, the profits to be distributed by the Company in cash shall not be less than 10% of the distributable profits for such year; in any consecutive three years, the aggregate profits distributed by the Company in cash shall not be less than 30% of the distributable profits for such three years.

Subject to the satisfaction by the Company of the percentage of the above cash dividend payment, the Company may distribute profits by issuing bonus shares.

If it needs to adjust the profit distribution policy provided for in these Articles of Association due to any material changes of the external operational environment or the conditions of its own operation, the Company shall submit such changes to a shareholders' meeting for consideration with detailed demonstrations and explanations after such changes have been adopted by the Board of Directors. When a shareholders' meeting considers the proposal regarding any adjustments of the profit distribution plan, such changes shall be adopted by the shareholders present at the meeting and representing more than 2/3 of the voting rights, by voting at an on-site meeting and by internet.

Article 178 Subject to the relevant laws, rules, regulations and normative documents of China, the Company may exercise the powers to forfeit any unclaimed dividends, but no such powers shall be exercised before the expiry of the relevant limitation period.

The Company shall have the right to terminate the dispatch of dividend warrants by way of mail to any holders of foreign investment shares, but no such power shall be exercised by the Company until such warrants have been left uncashed for two consecutive occasions. If the initial dividend warrants mailed are returned as they fail to reach the recipients, the Company may exercise such powers immediately.

The Company shall have the right to sell the shares of an untraceable shareholder of overseas listed foreign shares in any way the Board of Directors thinks fit, subject to the following conditions:

- (i) the Company has paid three dividends in respect of the shares in question at least during a period of 12 years and no dividend during that period has been claimed;
- (ii) upon expiry of the 12 years, the Company gives notice of its intention to sell the shares by way of an advertisement published in one or more newspapers of the place where the Company's shares are listed and notifies the securities regulators of the place where the Company's shares are listed.

If the power to forfeit any unclaimed dividends is granted, such power may be exercised on the sixth anniversary of the dividend declaration date or after.

Article 179 The Company shall appoint recipient agents for holders of foreign investment shares listed outside the People's Republic of China to collect on behalf the relevant shareholders the dividends distributed and funds payable in respect of foreign investment shares.

The recipient agents appointed by the Company shall meet the requirements of the laws or the relevant regulations of the place where the Company's shares are listed.

Article 180 If the Company is required to adjust its profit distribution policy by virtue of the regulatory policy of the industry, the conditions of its operation, investment plans and the requirements for long-term development or because there occur significant changes with respect to the external environment of operation, the adjusted profit distribution policy shall not violate any laws, rules or regulatory regulations in order to protect the rights and interests of the shareholders.

Any proposals concerning any adjustment of the profit distribution policy shall require demonstration in detail, with the reasons for such adjustments. The proposal shall be submitted to a shareholders' meeting for approval after it has been considered and adopted by the Board of Directors. When the shareholders' meeting considers the adjustments concerning the profit distribution policy, the Company shall actively communicate with the shareholders, the minority shareholders in particular, by various means and the proposal shall be adopted by the shareholders present at the shareholders' meeting representing more than 2/3 of the voting rights.

Section 2 Internal Audit

Article 181 The Company shall implement an internal audit policy, which shall clearly define the leadership structure, responsibilities and authorities, staffing, funding assurance, utilization of audit results, and accountability mechanisms related to internal audit work.

The internal audit system of the Company shall be implemented upon approval by the Board of Directors and shall be disclosed externally.

Article 182 The internal audit department of the Company shall conduct supervisory inspections of the Company's business activities, risk management, internal controls, financial information, and other relevant matters.

Article 183 The internal audit department shall be responsible to the Board of Directors.

In the course of supervising and inspecting the Company's business activities, risk management, internal controls, and financial information, the internal audit department shall be subject to the supervision and guidance of the Audit and Related Party Transactions Control Committee. Where any material issues or leads are identified, the internal audit department shall immediately report directly to the Audit and Related Party Transactions Control Committee.

Article 184 The internal audit department shall be responsible for organizing and implementing the Company's internal control evaluation. Based on the evaluation report issued by the internal audit department and reviewed by the Audit and Related Party Transactions Control Committee, as well as relevant supporting materials, the Company shall issue the annual internal control evaluation report.

Article 185 When the Audit and Related Party Transactions Control Committee communicates with external audit institutions such as accounting firms or national audit authorities, the internal audit department shall actively cooperate and provide necessary support and assistance.

Article 186 The Audit and Related Party Transactions Control Committee shall participate in the performance appraisal of the head of the internal audit department.

Section 3 Engagement of an Accountant Firm

Article 187 The Company shall engage an accountant firm that complies with the provisions of the Securities Law to audit financial statements, verify net assets and provide other relevant consultation services. The engagement shall be one year and may be renewed.

Article 188 The accountant firm to be engaged or dismissed by the Company shall be determined by a shareholders' meeting and the Board of Directors shall not decide to engage such accountant firm before the shareholders' meeting has made its decision.

Article 189 The Company guarantees to provide true and complete accounting vouchers, accounting books, financial reports and other accounting information to the accountant firm without refusing, concealing such vouchers, books, reports and information or giving false vouchers, books, reports or information.

Article 190 The remuneration of an accountant firm or the manner in which such firm is to be remunerated shall be determined by the shareholders at a shareholders' meeting.

Article 191 Prior to the removal or the non-renewal of the appointment of the accountant firm, notice of such removal or non-renewal shall be given 30 days in advance to the accountant firm and such firm shall be entitled to make representations at the shareholders' meeting of the Company in respect of the removal of such firm.

Where the accountant firm resigns its post, it shall make clear to the shareholders' meeting whether there has been any impropriety on the part of the Company.

CHAPTER 9 NOTICE AND ANNOUNCEMENT

Section 1 Notice

Article 192 A notice of the Company shall be sent:

- (i) by person;
- (ii) by post;
- (iii) by announcement;
- (iv) by fax;
- (v) by e-mail;
- (vi) subject to the laws and regulations and the listing rules of the place where the Company's shares are listed, by posting on the website designated by the Company and the stock exchange;

- (vii) any other methods agreed in advance between the Company and notice recipients or agreed by notice recipients after receipt of such notice;
- (viii) any other methods permitted by the securities regulators of the place where the Company's shares are listed or provided for in these Articles of Association.

For the purpose of the method for the Company to furnish or send any communications of the Company to shareholders of H shares as required by the Hong Kong Listing Rules, subject to the laws, rules and the listing rules of the place where the Company's shares are listed and the provisions of these Articles of Association, all communications of the Company may be furnished and sent to such shareholders of H shares through the websites designated by the Company and/or the Hong Kong Stock Exchange or by any electronic means.

The communications of the Company referred to in the preceding paragraph shall mean any documents sent or to be sent by the Company to shareholders of H shares or required by the Hong Kong Listing Rules for any other persons to refer to or to act on, including but not limited to:

1. the annual reports of the Company (including the report of the Board, annual accounts, auditor's report and summary financial report of the Company);
2. the interim report and summary interim report of the Company (if applicable);
3. meeting notices;
4. listing documents;
5. circulars;
6. proxy forms (within the meaning of the listing rules of the exchange of the place where the Company's shares are listed).

If a notice to exercise the powers provided for in these Articles of Association is given by way of an announcement, such announcement shall be published in the way as stipulated by the Hong Kong Listing Rules.

In case of joint shareholders, the Company shall send or mail any notice, information or other materials to one of such joint shareholders only.

Article 193 If the Company gives a notice by way of an announcement, all relevant persons shall be deemed to have received such notice once the announcement is published.

Article 194 A notice to convene a shareholders' meeting of the Company shall be given by way of an announcement.

Article 195 A notice to convene a meeting of Board of Directors of the Company shall be delivered by person, post, fax or e-mail.

- Article 196** If the Company sends a notice by person, the recipient shall sign (or seal) the receipt acknowledgement and the date of the signature of such recipient shall be the date of service; if the Company sends a notice by post, it shall be the date of service 3 working days after such mail is presented to the post office; if the Company sends a notice by fax, the fax reply date of the recipient shall be date of service; if the Company sends a notice by fax or on a website, the date of giving such notice shall be the date of service; if the Company sends a notice by way of announcement, the date of the first announcement shall be the date of service; if the Company sends a notice by e-mail, the date of the successful dispatch of such e-mail shall be the date of service.
- Article 197** A meeting and the resolutions adopted to thereat shall not be invalidated as a result of the accidental omission to give notice of the meeting to, or the failure of receiving such notice by, a person entitled to receive such notice.
- Article 198** If the listing rules of the place where the Company's shares are listed require the Company to send, post, distribute, dispatch or publish or provide any relevant documents of the Company in English and Chinese and if the Company has made appropriate arrangement to ascertain whether the shareholders of the Company wish to receive the English version or Chinese version only, the Company may send the English or Chinese version to relevant shares only (according to the expressed wishes of such shareholders).

Section 2 Announcement

- Article 199** The Company shall make announcements and disclose information to the shareholders of domestic investment shares through the newspapers or periodicals provided for by the laws and regulations and designated by the CSRC. If an announcement is required to be made to the shareholders of foreign investment shares listed outside the People's Republic of China according to the Articles of Association of the Company, such relevant announcement shall also be published in the way as provided for in the Hong Kong Listing Rules.

The Company shall not disclose any information in any other public media before such disclosure is made in the designated newspapers or on designated websites. No announcements of the Company shall be substituted by such form as news releases or answers to reporters' request.

The Board of Directors shall have the right to make adjustments with respect to the newspapers and periodicals to disclose any information of the Company, but shall ensure the designated information disclosure newspapers and periodicals meet the qualifications and conditions as provided for in the relevant laws, rules and regulations and by the CSRC and the overseas regulators and the domestic and overseas exchanges.

CHAPTER 10 MERGER, DIVISION, CAPITAL INCREASE AND REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division and Capital Increase and Reduction

Article 200 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

Where a company merges other companies by absorption, the absorbed companies shall dissolve; where two companies merge to establish a new company, both parties to the merge shall dissolve.

Article 201 Where the consideration paid by the Company for a merger does not exceed 10% of the Company's net assets, such merger may be carried out without a resolution of the shareholders' meeting.

If the Company proceeds with a merger without a resolution of the shareholders' meeting pursuant to the preceding paragraph, it shall be subject to a resolution of the Board of Directors.

Article 202 In the event of the merger or division of the Company, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten days of the date of the Company's resolution on merger and shall publish an announcement on newspapers or through the National Enterprise Credit Information Publicity System within 30 days. The creditors may request the Company to settle its debts or provide corresponding guarantee within 30 days upon receipt of such notice or within 45 days of the date of such announcement if no such notice has been received.

Article 203 After the merger of the Company, claims and liabilities of parties to the merger shall be assumed by the continuing company or the newly established company.

Article 204 When there is a division of the Company, its assets shall be divided up accordingly.

In the event of a division of the Company, balance sheets and inventories of assets shall be prepared. The Company shall notify its creditors within 10 days of the date of the division resolution and shall publish an announcement on newspapers or through the National Enterprise Credit Information Publicity System within 30 days.

Article 205 Liabilities of the Company prior to the division shall be assumed by the companies which exist after the division, except as otherwise agreed in a written debt settlement agreement between the Company and its creditors prior to the division of the Company.

Article 206 Where the Company reduce its registered capital, balance sheets and inventories of assets shall be prepared.

The Company shall notify its creditors within ten days of the date of the resolution of the shareholders' meeting on the reduction of registered capital and publish an announcement in newspapers or through the National Enterprise Credit Information Publicity System within 30 days. The creditors shall have the right to request the Company to settle its debts or provide corresponding guarantees within 30 days as of the receipt of a notice or within 45 days as of the issuance of the public announcement in the case of its failure to receive such a notice.

When the Company reduces its registered capital, it shall correspondingly reduce the capital contributions or shares in proportion to the shareholding of each shareholder, unless otherwise provided by law or resolved by the shareholders' meeting not to follow such proportion.

Article 207 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

Where it increases or reduces its registered capital, the Company shall go through the formalities of registration change with the registration authorities of the Company in accordance with the law.

The merger, division, registered capital increase with a material change in its equity structure or reduction of registered capital of the Company shall be submitted to the CSRC for approval.

Article 208 Where, after making up losses in accordance with the provisions of paragraph 2 of Article 175 of these Articles of Association, the Company still has accumulated losses, it may reduce its registered capital to cover such losses. In the case of reducing registered capital to cover losses, the Company shall not distribute any profits to shareholders, nor shall it exempt any shareholder from the obligation to make capital contributions or payments for shares.

Where the Company reduces its registered capital pursuant to the preceding paragraph, the provisions of paragraph 2 of Article 206 of these Articles of Association shall not apply. However, the Company shall make a public announcement within 30 days from the date on which the resolution of the shareholders meeting on reducing registered capital is made, by means such as publication in newspapers or through the National Enterprise Credit Information Publicity System.

After reducing its registered capital pursuant to the preceding two paragraphs, the Company shall not distribute profits until the total amount of its statutory reserve and discretionary reserve reaches 50% of the registered capital.

Article 209 If the Company reduces its registered capital in violation of the Company Law and other applicable provisions, any funds received by shareholders shall be returned, and any reduction or exemption of shareholders' capital contributions shall be restored. If such violation causes losses to the Company, the shareholders, the responsible directors and senior management officers involved shall bear liability for compensation.

Article 210 Where the Company issues new shares to increase its registered capital, shareholders shall not have preemptive subscription rights, unless otherwise resolved by the shareholders' meeting granting such rights.

Section 2 Dissolution and Liquidation

Article 211 In one of the following cases, the Company shall be dissolved, and undergo liquidation according to the law:

- (i) the expiry of the term of operation provided for in these Articles of Association or occurrence of other events for dissolution stipulated in these Articles of Association;
- (ii) the shareholders' meeting makes a resolution on dissolution;
- (iii) the Company has to be dissolved by virtue of its merger or division;
- (iv) the business licence of the Company has been revoked or has been ordered to close down or deregistered according to the law;
- (v) where the Company meets any serious difficulty during its operation or management so that the interests of the shareholders will be subject to heavy loss if it continues to exist and no any other means are available to solve such difficulties, the shareholders who hold more than 10% of the voting rights of the Company may plead the People's Court to dissolve the Company.

Where any of the dissolution circumstances specified in the preceding paragraph arises, the Company shall, within 10 days, disclose the cause for dissolution through the National Enterprise Credit Information Publicity System.

Article 212 Where it meets the conditions as set for in Item (i) or Item (ii) of preceding article in this Section, and has not distributed any properties to the shareholders, the Company may continue to exist by amending these Articles of Association or by resolution of the shareholders' meeting.

The amendments to these Articles of Association or resolution of the shareholders' meeting in accordance with the preceding paragraph shall be adopted by more than 2/3 of the voting rights held by the shareholders attending a shareholders' meeting.

Article 213 Where the Company is dissolved on account of the regulation in Item (i), Item (ii), Item (iv) and Item (v) of Article 211, it shall undergo liquidation. The directors shall act as the liquidation obligors of the Company and shall form a liquidation group within 15 days from the date on which the cause for dissolution arises to carry out the liquidation.

The liquidation team shall be composed of directors, unless the shareholders' meeting resolves to appoint other persons.

Where the liquidation obligors fail to promptly perform their liquidation obligations and cause losses to the Company or its creditors, they shall bear liability for compensation.

Article 214 During the period of liquidation, the liquidation group shall have following duties and powers:

- (i) to notify creditors and make announcements;
- (ii) to clear up the property of the Company, prepare balance sheets and inventories of assets;
- (iii) to settle any business of the Company which has not been settled;
- (iv) to pay taxes due and taxes accrued in the course of liquidation;
- (v) to clear off claims and debts;
- (vi) to distribute the Company's remaining property after the repayment of its debts;
- (vii) to participate in civil proceedings on behalf of the Company.

Article 215 The liquidation group shall, within ten days as of its formation, notify the creditors, and shall make a public announcement within 60 days in newspapers or on the National Enterprise Credit Information Publicity System. Creditors shall, within 30 days as of the receipt of a notice or within 45 days as of the issuance of the public announcement in the case of its failure to receive such a notice, declare credits to the liquidation group.

To declare credits, a creditor shall explain the relevant matters and provide relevant evidential materials. The liquidation group shall record such credits.

The liquidation group may not clear off any of the debts of any creditor during the period of credit declaration.

Article 216 The liquidation group shall prepare a liquidation plan after the property of the company has been cleared up and the balance sheets and the inventory of assets have been prepared. The liquidation plan shall be submitted to a shareholders' meeting or a People's Court for confirmation.

The assets of the Company remaining after paying off the liquidation expenses, wages of employees, social insurance premiums and legal compensation premiums, the outstanding taxes and the debts of the Company with such assets shall be distributed by the Company in proportion to the shares held by the shareholders.

During such liquidation, the Company shall continue to exist, but may not carry out any non-liquidation related business operations. None of the assets of the Company shall be distributed to any shareholder before they are used for the settlement as provided for in the preceding clause.

Article 217 If the liquidation group finds that the assets of the Company are not sufficient to repay its debts after the assets of the Company have been cleared off and the balance sheets and inventories of the assets have been prepared, it shall file an application to a People's Court for bankruptcy liquidation.

Once the People's Court accepts the bankruptcy application, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator appointed by the People's Court.

Article 218 After liquidation of the Company is completed, the liquidation group shall prepare a liquidation report, which shall be submitted to a shareholders' meeting or the People's Court for confirmation and shall be submitted to the company registration authority for deregistration of the Company.

The suspension of business, dissolution, liquidation of the Company or an application by the Company to a People's Court for bankruptcy shall be submitted to the CSRC for approval.

Article 219 The members of the liquidation group shall fulfil their obligations of liquidation as well as the obligation of loyalty and diligence.

Where any of the members of the liquidation team fail to perform their obligations of liquidation diligently and thereby cause losses to the Company, they shall be liable for compensation; if they cause any loss to the creditors intentionally or due to gross negligence, such members shall be liable to compensate.

Article 220 Where the Company is declared bankrupt according to the law, liquidation shall be made according to the bankruptcy laws.

CHAPTER 11 AMENDMENTS TO ARTICLES OF ASSOCIATION

Article 221 The Company may, pursuant to the provisions of the laws, administrative regulations and the Articles of Association of the Company, amend the Articles of Association of the Company.

Article 222 The Company shall amend these Articles of Association in any following circumstances:

- (i) the provisions of these Articles of Association are in conflict with the provisions of the amended Company Law or the relevant laws, administrative rules and regulations and other normative documents after such laws, rules and regulations and documents have been amended;

- (ii) changes have occurred with respect to the Company that they are not consistent with the matters contained in these Articles of Association;
- (iii) a shareholders' meeting has resolved to amend these Articles of Association.

Article 223 The amendments to these Articles of Association adopted by a shareholders' meeting involve any changes in the registration particulars of the Company, the changes of registration shall be made according to the laws.

Article 224 The Board of Directors shall amend these Articles of Association according to the resolution of a shareholders' meeting on the amendments to these Articles of Association.

Amendments to these Articles of Association shall be disclosed by making an announcement according to the laws and regulations.

CHAPTER 12 SUPPLEMENTARY PROVISIONS

Article 225 Definition

- (i) A "controlling shareholder" shall mean:
 - 1. a shareholder who acting alone or together with others holds shares representing more than 30% of the total capital of the Company;
 - 2. a person who acting alone or together with others may exercise more than 30% of the voting rights in the Company or control the exercise of more than 30% of the voting rights in the Company;
 - 3. a shareholder who holds less than 30% of shares in the Company, but the voting rights vested by the shares held by him have a material effect on any resolutions made at a shareholders' meeting;
 - 4. any person who acting alone or together with others may elect more than half of the number of the directors;
 - 5. any person who acting alone or together with others actually control the Company in any other manner.
- (ii) An "actual controller" shall mean a natural person, legal person or other organization who is able to actually control the conduct of the Company through investment relationship, agreement or other arrangements.
- (iii) The "related party relationship" shall mean the relations between the Controlling Shareholder, Actual Controller, director and senior officer and the enterprises directly or indirectly controlled by him and other relations which may cause the interests of the Company to be transferred. But, no related party relationship shall exist between state-controlled enterprises because of their shares held by the State.

- Article 226** The Board of Directors may prepare the by-laws according to the provisions of these Articles of Association, which by-laws shall not be in conflict with these Articles of Association.
- Article 227** These Articles of Association shall be written in Chinese. If there are any differences between any translations or versions of these Articles of Association, the Articles of Association in Chinese latest approved for registration by the State Administration for Industry and Commerce shall prevail.
- Article 228** In these Articles of Association, “above”, “within” and “below” shall include the original number; “less than”, “more than”, “over” or “exceeding” shall not include the original number.
- Article 229** These Articles of Association shall come into force and effect from the date when these Articles of Association is approved by a special resolution at a shareholders’ meeting. As of the date when these Articles of Association come into force and effect, the original Articles of Association and the amendments thereto shall become void automatically.
- Article 230** These Articles of Association shall be interpreted by the Board of Directors of the Company.
- Article 231** The appendices to these Articles of Association shall include: the Rules of Procedure for the Shareholders’ Meeting, and the Rules of Procedure for the Board of Directors.

APPENDIX 1

Everbright Securities Company Limited

Rules of Procedure for the Shareholders' Meeting

Chapter 1 General Provisions

Article 1 In order to regulate the acts of Everbright Securities Company Limited (the “Company”) and ensure that the exercise of functions and powers by a shareholders’ meeting is in accordance with the laws, these Rules are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Code of Corporate Governance for Securities Companies, the Code of Corporate Governance for Listed Companies, the Rules of Shareholders’ Meetings for Listed Companies (the “Rules of Shareholders’ Meetings”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of Everbright Securities Company Limited (the “Articles of Association”).

Article 2 These Rules shall apply to matters such as the convening, proposals, notices, and holding of the Company’s shareholders’ meetings.

Article 3 The Company shall convene a shareholders’ meeting in strict compliance with the relevant requirements of the laws, the administrative regulations, the Rules of Shareholders’ Meetings, the Articles of Association and these Rules, and ensure the shareholders can exercise their rights in accordance with the laws. The Board of Directors of the Company shall perform its duties practically and organise a shareholders’ meeting attentively in a timely manner. All directors of the Company shall be diligent, responsible and ensure a shareholders’ meeting is convened normally and exercise its functions and powers in accordance with the laws.

Article 4 A shareholders’ meeting shall exercise its functions and powers within the scope as prescribed by the Company Law and the Articles of Association.

Article 5 A shareholders’ meeting is divided into annual shareholders’ meeting and extraordinary shareholders’ meeting. An annual shareholders’ meeting is convened once a year and shall be held within 6 months after the end of the previous financial year. An extraordinary shareholders’ meeting is convened at an irregular time but shall be held within 2 months if circumstance occurs under which an extraordinary shareholders’ meeting shall be convened as required by the Articles of Association.

If the Company cannot convene a shareholders’ meeting within the aforesaid time limit, it shall report to the dispatched office of the China Securities Regulatory Commission at the place where the Company is located and the Shanghai Stock Exchange with reasons as well as make an announcement.

Article 6 When the Company convenes a shareholders’ meeting, it shall engage lawyers to issue legal opinions about the following issues and make an announcement:

- (i) whether or not the procedures for convening and holding of the meetings comply with the requirements of the laws, the administrative regulations, these Rules and the Articles of Association;

- (ii) whether or not the qualifications of the attendees and the conveners of the meetings comply with the applicable laws and are valid;
- (iii) whether or not the voting procedures and the voting results of the meetings comply with the applicable laws and are valid;
- (iv) other relevant issues as requested by the Company to issue legal opinions.

Chapter 2 Convening of a Shareholders' Meeting

Article 7 The Board of Directors shall convene a shareholders' meeting within the time limit as prescribed in Article 5 of these Rules.

Article 8 Upon approval by more than half of all the independent directors, independent directors have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting. With regard to the proposal, the Board of Directors shall make a written response as to whether or not it agrees to convene such an extraordinary shareholders' meeting within 10 days after receipt of the proposal in accordance with the requirements of the laws, the administrative regulations and the Articles of Association.

If the Board of Directors agrees to convene such an extraordinary shareholders' meeting, it shall issue a notice of convening the extraordinary shareholders' meeting within 5 days after the relevant resolution of the Board of Directors is made; if the Board of Directors disagrees to convene such an extraordinary shareholders' meeting, it shall state the reasons and make an announcement.

Article 9 The Audit and Related Party Transactions Control Committee may propose to the Board of Directors to convene an extraordinary shareholders' meeting and shall put forward the proposal to the Board of Directors in written form. The Board of Directors shall make a written response as to whether or not it agrees to convene such an extraordinary shareholders' meeting within 10 days after receipt of the proposal in accordance with the requirements of the laws, the administrative regulations and the Articles of Association.

If the Board of Directors agrees to convene such an extraordinary shareholders' meeting, it shall issue a notice of convening the extraordinary shareholders' meeting within 5 days after the relevant resolution of the Board of Directors is made; if the Board of Directors changes the original proposal in the notice, it shall obtain the consent of the Audit and Related Party Transactions Control Committee.

If the Board of Directors disagrees to convene such an extraordinary shareholders' meeting or fails to make a written response within 10 days after receipt of the proposal, it shall be regarded as cannot or failing to perform the duties of convening an extraordinary shareholders' meeting and the Audit and Related Party Transactions Control Committee may convene and preside over such meeting by itself.

Article 10 Shareholder(s) individually or collectively holding 10% or more of the shares of the Company may request the Board of Directors to convene an extraordinary shareholders' meeting and shall put forward the request to the Board of Directors in written form. The Board of Directors shall make a written response as to whether or not it agrees to convene such an extraordinary shareholders' meeting within 10 days after receipt of the request in accordance with the requirements of the laws, the administrative regulations and the Articles of Association.

If the Board of Directors agrees to convene such an extraordinary shareholders' meeting, it shall issue a notice of convening the extraordinary shareholders' meeting within 5 days after the relevant resolution of the Board of Directors is made; if the Board of Directors changes the original request in the notice, it shall obtain the consent of the relevant shareholders.

If the Board of Directors disagrees to convene such an extraordinary shareholders' meeting or fails to make a written response within 10 days after receipt of the request, shareholder(s) individually or collectively holding 10% or more of the shares of the Company may propose to the Audit and Related Party Transactions Control Committee to convene such an extraordinary shareholders' meeting and shall put forward the request to the Audit and Related Party Transactions Control Committee in written form.

If the Audit and Related Party Transactions Control Committee agrees to convene such an extraordinary shareholders' meeting, it shall issue a notice of convening the extraordinary shareholders' meeting within 5 days after receipt of the request; if the Audit and Related Party Transactions Control Committee changes the original request in the notice, it shall obtain the consent of the relevant shareholders.

If the Audit and Related Party Transactions Control Committee fails to issue the notice of the extraordinary shareholders' meeting within the aforesaid time limit, it shall be regarded as not to convene and preside over such an extraordinary shareholders' meeting. Shareholder(s) individually or collectively holding 10% or more of the shares of the Company for more than 90 consecutive days may convene and preside over such meeting by itself.

Article 11 If the Audit and Related Party Transactions Control Committee or shareholders decide to convene a shareholders' meeting by themselves, they shall inform the Board of Directors in written form and file records with the Shanghai Stock Exchange.

Before the resolution of the shareholders' meeting is announced, the shareholding ratio held by the convening shareholder cannot be less than 10%.

When the Audit and Related Party Transactions Control Committee or the convening shareholder issues a notice of the shareholders' meeting and makes an announcement of the resolution of the shareholders' meeting, they shall provide the Shanghai Stock Exchange with relevant evidential materials.

Article 12 For shareholders' meetings convened by the Audit and Related Party Transactions Control Committee or shareholders, the Board of Directors and the Board Secretary shall offer cooperation. The Board of Directors shall provide the share register as at the equity registration date. If the Board of Directors fails to provide the share register, the convener may obtain it through applying to the securities registration and clearing institution with the relevant announcement of the notice of convening the shareholders' meeting. The share register obtained by the convener cannot be used for purposes other than for convening the shareholders' meetings.

Article 13 The Company shall bear all the necessary expenses of the shareholders' meetings convened by the Audit and Related Party Transactions Control Committee or shareholders.

Chapter 3 Proposal and Notice of a Shareholders' Meeting

Article 14 The content of the proposal shall fall within the scope of the functions and powers of a shareholders' meeting, with clear issues for discussion and specific matters for resolution, and shall be in accordance with the relevant requirements of the laws, the administrative regulations and the Articles of Association.

Article 15 Where the Company is to hold a shareholders' meeting, the Board of Directors, the Audit and Related Party Transactions Control Committee and the shareholder(s) individually or collectively holding more than 1% of the shares of the Company are entitled to put forward proposals to the Company.

Shareholder(s) individually or collectively holding 1% or more of the shares of the Company may put forward and submit provisional written proposal to the convener 10 days prior to the convening of the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting and announce the content of such provisional proposal within 2 days after receipt of the proposal, and such provisional proposal shall be submitted to the shareholders' meeting for consideration, except when the provisional proposal violates laws, administrative regulations or the Articles of Association, or does not fall within the scope of power of the shareholders' meeting.

Except as prescribed in the preceding paragraph, the convener cannot amend the proposals listed in the notice of the shareholders' meeting or add new proposals after issuing such notice.

The shareholders' meeting shall not vote on or adopt resolution on proposals which are not listed in the notice of the shareholders' meeting or are not consistent with Article 14 of these Rules.

Article 16 For holding an annual shareholders' meeting, the Company shall notify all the shareholders by way of announcement 20 days before the date of the meeting, and for holding an extraordinary shareholders' meeting, the Company shall notify all the shareholders by way of announcement 15 days before the date of the meeting. When the Company calculates the starting date of the time limit, the day when the meeting is convened shall not be included.

Article 17 The notice of the shareholders' meeting shall satisfy the following requirements:

- (i) the time, place and duration of the meeting;
- (ii) the matters and proposals to be considered at the meeting;
- (iii) state with clear words that all shareholders have the right to attend a shareholders' meeting and to appoint in writing proxies to attend and vote at the meeting on their behalves and that such proxies need not be shareholders of the Company;
- (iv) the equity registration date of the shareholders who have the right to attend the shareholders' meeting;
- (v) the name and telephone number of the standing contact person of the meeting;
- (vi) the voting time and voting procedures for voting by way of internet or other means.

The notice and the supplementary notice of the shareholders' meeting shall fully and completely disclose all specific contents of all the proposals and all necessary information or explanation enabling the shareholders to make reasonable judgment on the matters to be discussed.

The starting time of voting by way of internet or other means of such shareholders' meeting cannot be earlier than 3:00 p.m. on the day immediately preceding the date on which the shareholders' meeting is to be held but not later than 9:30 a.m. on the day the shareholders' meeting is held; the ending time of voting cannot be earlier than 3:00 p.m. on the day the shareholders' meeting is concluded.

The interval between the equity registration date and the date of the meeting shall not exceed 7 working days. No changes can be made once such equity registration date has been confirmed.

Article 18 If a shareholders' meeting intends to discuss the election matters of director, the notice of such shareholders' meeting shall fully disclose detailed particulars of the candidate for the director, including at least the following information:

- (i) personal situation such as educational background, work experience, part-time jobs and others;
- (ii) whether or not such candidate has related party relationship with the Company or its controlling shareholders and actual controllers;
- (iii) the number of shares of the Company held by such candidate;
- (iv) whether or not such candidate has been subject to punishment by the China Securities Regulatory Commission and other relevant departments as well as discipline by the stock exchange;
- (v) information required by the Hong Kong Listing Rules to be disclosed in respect of new appointment, re-election or transfer of director.

Except for adopting a cumulative voting system for the election of a director, each candidate for the director shall be put forward with individual proposal.

Article 19 After a notice of the shareholders' meeting is issued, the shareholders' meeting cannot be postponed or cancelled and the proposals listed in such notice cannot be cancelled without proper reasons. Once the situation of postponement or cancellation arises, the convener shall make an announcement and state the reasons at least 2 working days prior to the original scheduled convening date of the meeting.

Chapter 4 Convening of a Shareholders' Meeting

Article 20 The convening place of the shareholders' meeting of the Company is: Shanghai or Beijing.

A shareholders' meeting shall have venue set up and be convened in the form of on-site meeting. The Company will also provide online voting to provide convenience for its shareholders. Shareholders participating in the shareholders' meetings by the aforesaid means are regarded as having attended the meetings.

A shareholder may attend the shareholders' meeting in person and exercise his voting right, or may appoint other persons to attend the meeting on his behalf and exercise voting right within the scope of the given authorisation.

Article 21 The Board of Directors and other conveners shall take necessary measures to guarantee the proper order of the shareholders' meeting. Measures shall be taken to stop acts interfering with or disrupting the shareholders' meeting or infringing the lawful rights of the shareholders and a prompt report shall be given to the relevant departments for investigation.

Article 22 All shareholders or their proxies who are registered on the share register as at the equity registration date have the right to attend the shareholders' meetings, the Company and the convener shall not reject their attendance for any reason.

When shareholders attend a shareholders' meeting, each share they hold entitles them to one vote. Shares of the Company held by the Company itself shall have no voting rights.

Article 23 Shareholders who attend the shareholders' meeting shall produce their identity cards or other valid documents or proof that can identify themselves. A proxy shall also provide a power of attorney and valid personal identification documents.

Article 24 If the proxy form is signed by a person authorized by the appointor, the power of attorney to sign or other authorisation documents shall be notarized. The notarized power of attorney or other authorisation documents and the proxy form shall be deposited at the domicile of Company or at such other places as designated in the notice of convening the meeting.

Article 25 Resolutions of a shareholders' meeting are divided into ordinary resolutions and special resolutions.

For ordinary resolutions made at a shareholders' meeting, they shall be approved by over half of the voting rights held by the shareholders who attend the shareholders' meeting.

For special resolutions made at a shareholders' meeting, they shall be approved by more than two-thirds of the voting rights held by the shareholders who attend the shareholders' meeting.

Article 26 The following matters approved by ordinary resolutions at a shareholders' meeting:

- (i) the work reports of the Board of Directors;
- (ii) the profit distribution proposals and loss make-up proposals formulated by the Board of Directors to distribute profits and make up losses;
- (iii) the appointment, removal, remuneration and payment methods of the members of the Board of Directors;
- (iv) the annual budget and final account reports, balance sheets, income statements as well as other financial statements of the Company;
- (v) matters other than those that shall be approved by special resolutions as required by the laws, the administrative regulations or the Articles of Association.

Article 27 The following matters are approved by special resolutions at a shareholders' meeting:

- (i) the increase or reduction of registered capital of the Company;
- (ii) the split, division, merger, dissolution and liquidation of the Company;
- (iii) the amendment to the Articles of Association;
- (iv) the Company's purchase or sale of major assets or provision of guarantees to others within one year, the amount of which exceeds 30% of the Company's latest audited total assets;
- (v) other matters as stipulated by laws, administrative regulations or the Articles of Association, and as determined by ordinary resolutions at a shareholders' meeting to have significant impact on the Company and that need to be approved by special resolutions.

Any other matters that will be considered to have significant impacts on the Company if approved by ordinary resolutions, and therefore need to be approved by special resolutions.

When shareholders (including the proxies) vote at a shareholders' meeting, they exercise their voting rights as represented by their number of shares with voting rights; each share has one vote.

Article 28 The convener and the lawyer shall jointly verify the legality of the qualifications of the shareholders based on the share register provided by the securities registration and clearing institution, and register the names of the shareholders as well as their number of shares with voting rights. The registration of the meeting shall be terminated before the presider of the meeting announces the number of shareholders and the proxies that are present at the meeting and the total number of shares with voting rights held by them.

Article 29 If the shareholders' meeting requires directors and senior management officers to attend the meeting as non-voting attendees, the directors and senior management officers shall attend and accept inquiries from the shareholders.

Article 30 If a shareholders' meeting is convened by the Board of Directors, such meeting is presided over by the Chairman of the Board of Directors; if the Chairman of the Board of Directors is unable or fails to perform such duty, the meeting is presided over by the Vice Chairman of the Board of Directors (when the Company has two or more Vice Chairmen of the Board of Directors, the meeting is presided over by the vice chairman who is jointly elected by over half of the directors); if such vice chairman is unable or fails to perform such duty, the meeting is presided over by a director jointly elected by over half of the directors.

If a shareholders' meeting is convened by the Audit and Related Party Transactions Control Committee, such meeting is presided over by the convener of the Audit and Related Party Transactions Control Committee; when the convener of the Audit and Related Party Transactions Control Committee is unable or fails to perform the duty, such meeting is presided over by a member of the Audit and Related Party Transactions Control Committee jointly elected by over half of the members of the Audit and Related Party Transactions Control Committee.

If a shareholders' meeting is convened by the shareholders themselves, the convener or a representative elected by the convener shall preside over such meeting.

When the shareholders' meeting is convened and the chairman of the shareholders' meeting causes the meeting impossible to continue to proceed by violating the rules of procedure, then with the consent of more than half of the shareholders with voting rights who attend the shareholders' meeting, the shareholders' meeting may elect a person to act as the presider of the meeting and proceeds with the meeting.

Article 31 In the annual shareholders' meeting, the Board of Directors shall submit report to the shareholders' meeting in respect of their work done in the past year and each independent director shall also make a work report.

Article 32 Directors and senior management officers explain questions of the shareholders at a shareholders' meeting.

Article 33 The presider of the meeting shall announce the number of shareholders and the proxies attending the meeting and the number of shares with voting rights held by them before the voting takes place. Such number of shareholders and the proxies attending the meeting and the total number of shares with voting rights held by them are subject to those registered for the meeting.

Article 34 When a shareholder has connection with the matters to be discussed at a shareholders' meeting, such shareholder shall abstain from the voting and the number of shares with voting rights held by him is not counted towards the total number of shares with voting rights that are present at the shareholders' meeting.

When the shareholders' meeting considers material matters that could affect the interest of minority investors, the Company shall count the votes by minority investors separately. The results of such separate vote counting shall be disclosed promptly.

Shares of the Company held by itself do not have voting rights and are not counted towards the total number of shares with voting rights that are present at the shareholders' meeting.

If a shareholder buys any shares with voting rights of the Company in violation of the provisions of paragraphs 1 and 2 of the Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed proportion cannot be exercised in the following 36 months after purchase and such shares shall not be counted in the total number of shares with voting rights present on the shareholders' meeting.

The Board of Directors, independent directors, the shareholder(s) holding more than 1% of shares with voting rights, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the securities regulators under the State Council may act as the solicitors, or entrust securities companies and securities service agencies, to publicly request the Company's shareholders to entrust them to attend the shareholders' meeting and exercise shareholder's rights such as right of making proposals and voting rights on behalf of such shareholders.

In the case of soliciting shareholders' rights in accordance with the preceding paragraph, the solicitor shall disclose the solicitation documents and the Company shall provide assistance.

While soliciting votes from shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are solicited. No consideration or other form of de facto consideration shall be offered for the public solicitation of rights from shareholders. Except for conditions provided in the laws, the Company shall not impose any limitation related to the minimum shareholding percentage on the solicitation of voting rights.

If a public solicitation of rights from shareholders is in violation of any laws, administrative regulations, or the relevant provisions of the securities regulators under the State Council, resulting in losses to the Company or its shareholders, the solicitor shall be liable to indemnify according to the law.

Article 35 When voting takes place for the election of directors at a shareholders' meeting, a cumulative voting system may be adopted in accordance with the requirements of the Articles of Association or the resolutions adopted at the shareholders' meeting.

Where a single shareholder of the Company and its persons acting in concert hold 30% or more of the equity interests in the Company, or where shareholders and their related parties collectively hold more than 50% of the Company's equity interests, the election of directors shall be conducted by cumulative voting.

When two or more independent directors are to be elected at the shareholders' meeting of the Company, the cumulative voting method shall be adopted. The votes casted by minority shareholders shall be counted separately and disclosed.

Article 36 Except for the cumulative voting system, a shareholders' meeting shall vote on all the proposals on a case by case basis. If there are different proposals for the same matter, voting shall take place in accordance with the chronological order of the proposals being put forward. Except where a shareholders' meeting is terminated or cannot adopt resolution due to force majeure and other special reasons, the shareholders' meeting cannot put proposals on hold or refuse to vote on them.

Article 37 When the shareholders' meeting considers the proposals, it cannot make amendments to the proposals. Any proposal with amendments shall be regarded as a new proposal and voting cannot take place at such shareholders' meeting.

Article 38 The same voting share can only select one of the voting methods among on-site voting, internet voting or other means. The first voting result prevails if there are repeated votings with the same voting share.

Article 39 Shareholders attending the shareholders' meeting shall express one of the following opinions with regard to the proposals submitted for voting: consent, objection or abstention, except for the securities registration and clearing institution acting as the nominee shareholders under the Shanghai-Hong Kong Stock Connect Program and of some H shares which makes declaration according to the intention of the actual holders.

When there are ballots with words not filled in, with words wrongly filled, with ineligible words or not casted for voting, the voters are regarded as having given up their voting rights and the voting results of their shares shall be treated as abstention.

If the Hong Kong Listing Rules require any shareholder to give up his voting rights in respect of certain resolution matters or restrict any shareholder to only vote for (or against) certain resolution matters, the votes casted by such shareholder or his representative are not counted if there is any violation situations of the relevant requirements or restrictions.

Article 40 Before a proposal is voted at a shareholders' meeting, two shareholder representatives shall be elected to participate in the vote counting and monitoring. If a shareholder has connection with the matters to be considered, the relevant shareholder and proxy cannot participate in the vote counting and monitoring.

When a proposal is voted at a shareholders' meeting, lawyers, the shareholder representatives shall be jointly responsible for the vote counting and monitoring, and announcing the voting results on the spot. The voting results of the resolution shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies who vote through the internet or other means have the right to examine through the corresponding voting systems.

Article 41 The finishing time of the on-site shareholders' meeting cannot be earlier than that of the internet or other means. The presider of the meeting shall announce the voting situation and results with respect to each proposal at the on-site meeting and announce whether or not such proposal is adopted on the basis of the voting results.

Before the official results are announced, all the relevant parties involved in the voting at the on-site shareholders' meeting, through internet and other means such as the Company, persons counting and monitoring the vote, the shareholders, the internet service providers and others have confidential obligations regarding the voting situation.

Article 42 Resolutions of a shareholders' meeting shall be promptly announced. The announcement shall specify the number of shareholders and the proxies attending the meeting, the total number of shares with voting rights held by them and its proportion of the Company's total number of shares with voting rights, the voting method, the voting result of each proposal and the detailed contents of various approved resolutions.

Article 43 If a resolution is not approved, or if the shareholders' meeting changes the resolutions of the previous shareholders' meeting, a special notification shall be made in the announcement of the resolution of such shareholders' meeting.

Article 44 The Board Secretary shall be responsible for the meeting minutes of a shareholders' meeting. The meeting minutes shall record the following:

- (i) the time, venue, agenda and the name of the convener;
- (ii) the name of the presider of the meeting; the names of the directors, senior management officers attending the meeting either as voting-attendees or non-voting attendees;

- (iii) the number of shareholders and the proxies attending the meeting and the total number of shares with voting rights held by them and its proportion of the Company's total number of shares;
- (iv) the consideration process, the key points of the presentations and the voting result of each proposal;
- (v) the questioning opinion or suggestion of the shareholders and the corresponding reply or clarification;
- (vi) the names of the lawyers and the persons counting and monitoring the votes;
- (vii) other contents that should be recorded in the meeting minutes as required by the Articles of Association.

The convener shall ensure that the contents of the meeting minutes are true, accurate and complete. The directors, the Board Secretary, the convener or its representative, the presider of the meeting who attend the meeting, with or without voting rights, shall sign the meeting minutes and guarantee the contents of the meeting minutes are authentic, accurate and complete. The meeting minutes shall be kept together with the signature register of the shareholders who attend the meeting, the proxy form and the valid information regarding the voting situation through the internet or other means for not less than 15 years.

Article 45 The convener shall guarantee that a shareholders' meeting proceeds continuously until a final resolution is made. If a shareholders' meeting is terminated or no resolution is made due to force majeure and other special reasons, necessary measures shall be taken as soon as possible to resume convening of the shareholders' meeting or terminate such meeting directly and make an announcement promptly. At the same time, the convener shall report to the dispatched office of the China Securities Regulatory Commission at the place where the Company is located and the Shanghai Stock Exchange.

Article 46 If a proposal is adopted with respect to the election of directors at a shareholders' meeting, the newly elected directors assume their posts in accordance with the requirements of the Articles of Association.

Article 47 If a proposal is adopted with respect to the distribution of cash dividend, bonus shares or the conversion of capital reserves into share capital at a shareholders' meeting, the Company shall implement specific plans within 2 months after the conclusion of such shareholders' meeting.

Article 48 Shareholders' meeting resolutions of the Company with contents contravening the laws, the administrative regulations are invalid.

The Company's controlling shareholder and actual controller shall not restrict or obstruct minority investors from lawfully exercising their voting rights, nor shall they infringe upon the legitimate rights and interests of the Company and minority investors.

If the convening procedure or voting method of a shareholders' meeting contravenes the laws, the administrative regulations or the Articles of Association or if the resolution contents contravene the Articles of Association, shareholders may themselves request the People's Court to nullify such resolution within 60 days as from the resolution adoption date; however, this does not apply where the procedural defects in convening the shareholders' meeting or the voting method are minor and do not have a substantive impact on the resolution.

In the event of disputes among the Board of Directors, shareholders, or other relevant parties regarding the qualifications of the convener, the convening procedures, the legality of the proposal content, or the validity of resolutions of the shareholders' meeting, such parties shall promptly initiate legal proceedings with a People's Court. Before the People's Court renders a judgment or ruling to revoke the resolution or make other determinations, the relevant parties shall implement the resolutions of the shareholders' meeting. The Company, directors, and senior management officers shall diligently perform their duties, promptly implement resolutions of the shareholders' meeting, and ensure the normal operation of the Company.

Where the People's Court issues a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchange, fully explain the impact, and actively cooperate in enforcement after the judgment or ruling takes effect. If the matter involves correction of a prior issue, the Company shall handle it in a timely manner and fulfill the corresponding disclosure obligations.

Chapter 5 Supervisory Measures

Articles 49 If the Company fails to convene a shareholders' meeting without proper reasons within the time limit stipulated in the Rules of Shareholders' Meetings, the Shanghai Stock Exchange may, in accordance with its business rules, suspend trading of the listed shares and the derivative products of the Company, and require the Board of Directors to give explanations and make an announcement.

Articles 50 If the convening and holding of a shareholders' meeting and the disclosure of the relevant information do not meet the requirements of the laws, the administrative regulations, these Rules and the Articles of Association, the China Securities Regulatory Commission and its dispatched offices have rights to order the Company or the relevant responsible persons to make corrections within the time limit, and the Shanghai Stock Exchange may take relevant regulatory measures or impose disciplinary sanctions in accordance with its business rules.

Article 51 If a director, or the Board Secretary violates the requirements of the laws, the administrative regulations, these Rules and the Articles of Association, and fails to practically perform duties, the China Securities Regulatory Commission will, according to laws, order them to make corrections, and the Shanghai Stock Exchange may take relevant regulatory measures or impose disciplinary sanctions in accordance with its business rules; if the circumstances are serious, the China Securities Regulatory Commission may take measures to prohibit the relevant persons from entering the securities market.

Chapter 6 Supplementary Provisions

Article 52 The “announcement”, “notice” or supplementary notice of the shareholders’ meeting as mentioned in these Rules refers to the disclosure contents of the relevant information announced on the media and stock exchange websites that meet the conditions stipulated by the China Securities Regulatory Commission.

The supplementary notice of the shareholders’ meeting mentioned in these Rules shall be announced in the same designated newspapers and periodicals where the notice of the meeting is published.

Article 53 References to the terms “more than”, “within” in these Rules are inclusive of the relevant numbers themselves whereas “exceeding”, “less than” and “more than” are exclusive.

Article 54 If there are matters not included in these Rules, they are executed in accordance with the requirements of the Company Law, the relevant laws, the regulations, the regulatory rules and the Articles of Association. Where there is conflict or inconsistency between these Rules and the laws, the regulations and the regulatory rules promulgated by the State in the future or the Articles of Association as amended through legal procedures, the execution is made according to the requirements of the relevant State laws, the regulations and the regulatory rules and the Articles of Association, and these Rules shall be amended promptly as well as considered and approved by the shareholders’ meeting.

Article 55 These Rules are subject to the interpretation of the Board of Directors.

Article 56 These Rules shall take effect on the date after the approval at the shareholders’ meeting of the Company. The original Rules of Procedure for the Shareholders’ Meeting of the Company shall become null and void automatically on the date when these Rules take effect.

APPENDIX 2

Everbright Securities Company Limited

Rules of Procedure for the Board of Directors

Article 1 Objectives

To further regulate the rules of procedure and decision-making of the Board of Directors of Everbright Securities Company Limited (the “Company”), procure the directors and the Board to effectively perform their duties, and to improve the standardized operation and scientific decision-making of the Board, these rules are hereby formulated in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association of Everbright Securities Company Limited (hereinafter referred to as the “Articles of Association”).

Article 2 Board Office

An office is established under the Board to handle the daily affairs of the Board and keep the seals of the Board and the Board Office.

Article 3 Regular meetings

Meetings of the Board include regular meetings and extraordinary meetings.

Regular meetings shall be held by the Board at least twice in the first half and in the second half of the year, respectively.

Article 4 Extraordinary meetings

Shareholders representing one-tenth or more of the voting rights, one-third or more of the members of the Board, the Audit and Related Party Transactions Control Committee, or one-half or more independent directors may propose to convene an extraordinary Board meeting. The chairman of the Board shall convene and preside over the Board meeting within 10 days after receiving the proposal.

Article 5 Convening and presiding over the meetings

The Board meeting shall be convened and presided over by the chairman of the Board, where the chairman of the Board cannot or does not perform the duties thereof, the vice chairman shall perform the duties thereof (where there are two or more vice chairmen of the Company, the deputy chairman of the Board jointly elected by more than half of the directors shall perform such duties); or be convened and presided over by a director jointly elected by more than half of the directors where the deputy chairman cannot or does not perform the duties thereof.

Article 6 Meeting notice

For a regular meeting or an extraordinary meeting, the Board Office shall send a written notice of meeting bearing the seal of the Board Office to all directors, the president, Secretary to the Board of Directors and the Chief Compliance Officer by hand delivery, postal mail, email, fax, or other means 14 days and 5 days before a regular meeting of the Board and an extraordinary meeting of the Board, respectively. Where the notice is not served by direct delivery, telephone acknowledgement and corresponding records shall be made.

Where an extraordinary meeting of the Board needs to be convened in emergency, the meeting notice shall be given by telephone or in other verbal forms at any time, provided that the convener makes necessary explanations at the meeting.

Article 7 Contents of the meeting notice

The written meeting notice shall at least include the following items:

- (i) the date and venue of the meeting;
- (ii) the duration of the meeting;
- (iii) the subject matter and topics for discussion;
- (iv) the date of issue of the notice.

Article 8 Convening of the meeting

Unless otherwise provided in the Articles of Association, a meeting of the Board cannot be convened unless more than half of the directors are present.

The Chief Compliance Officer may attend the meeting of the Board; the president and the Secretary to the Board of Directors shall attend the meeting of the Board, provided that they do not concurrently hold the post of director. The chairman of meeting, if he/she considers it necessary, can inform other relevant personnel to attend the meeting of the Board.

Article 9 Attending in person or authorizing others to attend

A director shall attend any Board meetings in person. If a director fails to attend for any reasons, such director may appoint in writing other directors to attend such meeting on his behalf. A power of attorney shall indicate the name of the proxy, entrusted matters, scope of authorization and valid period and shall be executed or sealed by the principal. The representative who attends the meeting on behalf of the director shall act as a director within the scope of such power of attorney. If a director fails to attend a Board meeting in person or appoint any representative to attend on his behalf, such director shall be deemed to have waived his voting rights at such meeting.

Article 10 Limitations on Authorizing Others to Attend

When a director authorizes another director or is authorized to attend the meeting of the Board, the following principles shall be followed:

- (i) when the connected transactions are being reviewed in the meeting, the unconnected directors shall not authorize the connected directors to attend the meeting, while the connected directors shall not accept the authorization of the unconnected directors, either;
- (ii) the independent directors shall not authorize the non-independent directors to attend the meeting, while the non-independent directors shall not accept the authorization of the independent directors, either;
- (iii) the directors shall not fully authorize other directors to attend the meeting without specifying their personal opinions and voting intentions on the proposal, while the relevant directors shall not accept authorizations without voting intentions, full authorization or authorizations with unclear scopes;
- (iv) one director shall not accept the authorizations from more than two directors or authorize a director who has been authorized by two other directors to attend the meeting.

Article 11 Convening Method of the Meeting

In principle, meeting of the Board shall be convened physically, through video or telephone. If necessary, on condition that the directors can fully express their opinions, voting by correspondence can be adopted with the consent of the convener. In addition, the physical meeting and other meeting methods can be simultaneously adopted for the meeting of the Board.

Article 12 Procedure of the meeting deliberation

The chairman of the meeting shall request the directors attending the meeting of the Board to provide definite opinions on respective proposals.

When any director hinders the normal proceeding of the meeting or interferes with other directors while they are speaking, the chairman of the meeting shall promptly stop him/her.

Unless with the unanimous consent of all directors in attendance, the proposals not included in the meeting notice shall not be put to a vote at the meeting of the Board. The directors who are authorized by other directors to attend the meeting of the Board shall not vote on the proposals not included in the meeting notice on behalf of the appointors.

Article 13 Expressing opinions

The directors shall independently and prudently express their opinions upon carefully reading the relevant meeting materials and fully understanding the circumstances.

The directors are allowed to learn the information necessary for the decision-making from the Board Office, the chairman of the meeting, the president and other senior management, various special committees, accounting firms and law firms and other relevant personnel and organizations before the meeting, or to suggest the chairman of the meeting to invite the above-mentioned persons and the representatives of the above-mentioned organizations to attend the meeting to explain the relevant circumstances when a meeting of the Board is in session.

Article 14 Voting and resolution of the meeting

After each proposal is fully discussed, the chairman of the Board shall ask the directors in attendance to vote in a timely manner.

The resolution of the Board shall be voted on by a show of hands or by poll on a one-person-one-vote basis.

The voting intention of a director may be for, against or abstention. Every director in attendance shall choose one out of the aforesaid intentions. Where any director does not make any choice or makes two or more choices, the chairman of the meeting shall require the said director to make a choice again, otherwise the said director shall be deemed as having abstained from voting; any director who has left the meeting midway without returning and has not made any choice shall be deemed as having abstained from voting.

Article 15 Formation of the resolution

Except for the situations specified in Article 16 of these rules of procedure, the consent of over half of the directors of the Company is required for the Board to pass a proposal and form the relevant resolutions. Where any provision of the laws, administrative regulations or the Articles of Association stipulates that the consent of even more directors is necessary for the Board to form resolutions, the relevant provision shall apply.

When the Board forms a resolution on guarantees within its functions and powers in accordance with the Articles of Association of the Company, the consents of more than half of all directors of the Company and two-third or more directors in attendance are necessary.

In case of any discrepancy on the contents or meanings between different resolutions, the resolution formed at a later time shall prevail.

Article 16 Abstaining from voting

Under any of the following circumstances, a director shall abstain himself/herself from voting on the relevant proposal:

- (i) where the director is required to abstain himself/herself from voting pursuant to the listing rules of the place(s) where the Company's securities are listed;

- (ii) where the directors deem it necessary to abstain himself/herself from voting;
- (iii) where the Articles of Association specifies that the directors should abstain themselves from voting due to their related party relationship with the enterprise involved in the meeting proposal.

Where it is necessary for the directors to abstain from voting, the relevant meeting of the Board can be convened provided that more than half of the unrelated directors can attend the meeting, in which case, a resolution can be formed with the consent of more than half of the unrelated directors. Where the number of the unrelated directors in attendance is less than three, the relevant proposal shall be submitted to the shareholders' meeting for deliberation instead of being put to a vote.

Article 17 Not exceeding the Board's legitimate authority

The Board shall act in strict accordance with the authorization of the shareholders' meeting and the Articles of Association, and shall not form a resolution by means of exceeding its given authority.

Article 18 Suspension of voting

When more than half of the directors in attendance or more than two independent directors are of the view that they cannot make a judgment on the relevant matters because the proposal is not clear or specific, or because of other reasons such as inadequate meeting materials, the chairman of the meeting shall ask for suspension of voting on the topic at the meeting.

The directors who propose to suspend voting shall specify the prerequisites for the proposal to be resubmitted for deliberation.

Article 19 Sound recording of the meetings

If necessary, the whole process of the meetings of the Board convened physically or through video, telephone or any other means may be audio-recorded.

Article 20 Meeting minutes

The Secretary to the Board of Directors shall arrange the Board Office staff to keep the minutes of the meeting of the Board. The meeting minutes shall include the following information:

- (i) the date, venue and name of convener of the meeting;
- (ii) names of the directors present and names of the directors (agents) attending the meeting of the Board on behalf of others;
- (iii) agenda of the meeting;
- (iv) key points of speech of the directors;

- (v) the voting method and results of each resolution item (the voting result shall set out the numbers of fors, againsts and abstentions);
- (vi) other matters that the directors in attendance think should be included in the meeting minutes.

Article 21 Meeting summary and resolution record

In addition to the meeting minutes, the Secretary to the Board of Directors may also arrange the Board Office staff to prepare a clear and concise meeting summary as well as to make a separate resolution record based on the voting results of the adopted resolutions.

Article 22 Signatures of directors

The directors in attendance shall sign the meeting minutes and resolution record for confirmation on behalf of themselves and the directors who authorize them to attend. Where the directors disagree over the meeting minutes or resolution record, they may attach written remarks when signing the same. Where necessary, they shall responsively report it to the regulatory authorities or make public statements.

Where any director neither signs as per the preceding paragraph nor provides his/her different opinions in writing, or reports to the regulatory authorities or makes public statement, the said director shall be deemed as agreeing entirely with the contents of the meeting minutes and the resolution record.

The directors shall take responsibility for the resolutions of the Board. In case any resolutions of the Board contravene any laws, administrative regulations or the Articles of Association, which caused serious losses to the Company, all the directors participating in making such resolutions shall be liable to compensate the Company for the losses. However, if there is evidence showing that a director expressed his objection to the resolution and such objection has been recorded in the meeting minutes, such director may be exempted from the liability.

Article 23 Announcement of resolutions

The announcement of the resolution of the Board shall be handled by the Secretary to the Board of Directors in accordance with the relevant provisions of the listing rules of the place(s) where the Company's securities are listed. Prior to the disclosure of the announcement of resolutions, the directors in attendance and other members attending the meeting, including the recording and service personnel, shall bear the duty of confidentiality on the contents of the resolutions.

Article 24 Implementation of resolutions

The chairman of the Board shall urge relevant personnel to implement the resolutions of the Board, confirm the actual status of implementation of the resolutions and report at future meetings of the Board how the adopted resolutions are implemented.

Article 25 Archiving of meeting files

The meeting files of the Board, including meeting notices and materials, the letter of authorization specifying a director attending meetings on another's behalf, as well as the meeting minutes, resolutions and other documents that have been signed by the directors in attendance, shall be kept by the Secretary to the Board of Directors.

Meeting files of the Board shall be kept for at least 15 years.

Article 26 Supplementary provisions

In these rules, the phrase “more than” is inclusive, while “over” is exclusive.

These rules shall be subject to the interpretation of the Board.

These rules will come into effect from the date of approval at the shareholders' meeting. The original Rules of Procedure for the Board of Directors of the Company shall become null and void automatically on the date when these rules come into effect.